

No. 12627

IN THE

# United States Court of Appeals

FOR THE NINTH CIRCUIT

---

PARK-IN THEATERS, INC., a corporation,

*Appellant,*

*vs.*

SETH D. PERKINS, GEORGE E. MITZEL, LA VERE CO., a  
corporation, and DRIVE-IN THEATERS OF AMERICA, a  
corporation,

*Appellees.*

---

## BRIEF FOR APPELLEES.

---

C. A. MIKETTA,

210 West Seventh Street,  
Los Angeles 14, California,

*Attorney for Appellees.*

JOHNSON & LADENBERGER,

ROBERT G. JOHNSON,

DON A. LADENBERGER,

453 South Spring Street,  
Los Angeles 13, California,

*Of Counsel for Appellees.*

FILED

NOV 1 1957

PAUL R. O'BRIEN  
CLERK



## TOPICAL INDEX

	PAGE
Introduction .....	1
Brief statement of the case.....	2
Brief summary of defendants' argument.....	5
The patent in suit.....	6
Prior history of Hollingshead patent.....	10
Having agreed to a determination of the issue of invalidity by the court upon the record and papers in the case, plaintiff is estopped from questioning the procedure employed.....	14
Findings of fact signed by the District Court are presumptively correct .....	19
The Hollingshead patent must be adjudged by its claims.....	20
The patent in suit was before the court.....	22
Presumption of validity is overcome by pertinent prior art not cited by Patent Office.....	24
Findings of Fact 4, 5 and 6 correctly state uncontroverted facts which necessitate a judgment that the patent in suit is invalid..	25
A patent for an idea or result is invalid and not within the contemplation of the statute.....	30
Inventive ingenuity is not involved in combining the old elements of the prior art. The claims are invalid.....	31
The claims are invalid because they attempt to cover a result or function .....	35
The claims of the Hollingshead patent are invalid because they are indefinite .....	38
Claims invalid for indefiniteness and functionality are not saved by specifications .....	45

	PAGE
By reason of indefiniteness and undue breadth, the patent is invalid on its face.....	45
Purported commercial success cannot overcome lack of invention or failure to properly conform to statutory requirements.....	47
The trial court properly awarded defendants' taxable costs and attorneys' fees .....	48
Summary and conclusion.....	52

## TABLE OF AUTHORITIES CITED

CASES	PAGE
Amaya v. Stanolind Oil and Gas Co., 64 Fed. Supp. 181; aff'd 158 F. 2d 544; cert. den. 331 U. S. 808, 67 S. Ct. 1191; rehear. den. 331 U. S. 867, 67 S. Ct. 1530.....	17
Bailey v. Sears, Roebuck & Co., 115 F. 2d 904.....	9, 22
Barkeij v. Ford Motor Company, 22 Fed. Supp. 1011.....	25
Beutell v. Magone, 157 U. S. 154, 15 S. Ct. 566.....	16
Blanc v. Spartan Tool Co., 168 F. 2d 296.....	51
Boynton, Sidney Hollis, v. Chicago Hardware Co., 77 F. 2d 799 .....	24
Brown et al. v. Piper, 91 U. S. 37.....	46, 47
Concrete Appliances Co. v. Gomery, 269 U. S. 177.....	33
Cuno Corp. v. Automatic Devices, 314 U. S. 84.....	33
Damrow Bros. v. Stoelting Bros., 295 Fed. 492.....	47
DeVry Corp. v. Acme Motion Picture Co., 262 Fed. 970.....	47
Eagle et al. v. P. & C. Hand Forged Tool Co., 74 F. 2d 918.....	9
Electric R. R. Signal Co. v. Hall Ry. Signal Co., 114 U. S. 87, 29 L. Ed. 96.....	31
Elliott & Co. v. Youngstown Car Mfg. Co., 181 Fed. 345.....	24
Equitable Trust Co. of New York v. Washington-Idaho Water, Light and Power Co., 300 Fed. 601.....	15
Fidelity and Casualty Co. v. Martin, 66 F. 2d 438.....	17
Flint v. G. R. Leonard & Co., 27 F. 2d 215.....	31
General Electric Co. v. Wabash Appliance Corp., et al., 304 U. S. 364.....	21, 37, 45, 46
Gill v. Wells, 22 Wall 1.....	41
Grant v. Raymond, 31 U. S. 218.....	39
Grayson Heat Control Ltd. v. Los Angeles Heat Appliance Co., Inc., 134 F. 2d 478.....	48
Great A. & P. Tea Co. v. Supermarket Equipment Co., 70 S. Ct. 127, 95 L. Ed. 118, 87 U. S. P. Q. 303.....	7, 8, 9, 16, 26, 34
Grinnell Washing Machine Co. v. Johnson Co., 247 U. S. 426....	9

	PAGE
Halliburton Oil Well Cementing Company v. Schlumberger Well Surveying Corporation, 130 F. 2d 589; cert. den. 318 U. S. 758 .....	40, 44
Halliburton Oil Well Cementing Co. v. Walker, 329 U. S. 1, 67 S. Ct. 6.....	36, 41
Hartford Accident and Indemnity Co. v. Flanagan, 28 Fed. Supp. 314 .....	17
Hooker, In re, 175 F. 2d 558.....	42
Hotchkiss v. Greenwood, 114 U. S. 1.....	33
J. I. Case Co. v. Gleaner Harvester Corp., 135 F. 2d 553.....	31
Keszthelyi v. Doheny Stone Drill Co., 59 F. 2d 3.....	32
Knapp v. Morss, 150 U. S. 227.....	30
La Crosse Plough Co. v. Pagenstecher, 253 Fed. 47.....	17
Lane-Wells Co. v. M. O. Johnston Oil Field Service, 181 F. 2d 707 .....	32
Lange v. McGuin, 177 Fed. 219.....	47
Laredo National Bank v. Gordon, 61 F. 2d 906.....	17
Loew's Drive-In Theatres, Inc. v. Park-In Theatres, Inc., 174 F. 2d 547.....	11
Malloy's Estate, In re, 278 N. Y. 429, 17 N. E. 2d 108.....	18
Market Soda Fountain Co. v. Sample, 130 Fed. 145.....	24
McClintock v. Geason, 94 F. 2d 115.....	24
Measuregraph Co. v. Grand Rapids Show Case Co., 29 F. 2d 263 .....	31
Mettler v. Peabody Engineering Co., 77 F. 2d 918.....	9, 24
Moore v. Fain, 251 Fed. 573.....	17
National Biscuit Co. v. Crown Baking Co., 102 F. 2d 422.....	20
O'Leary v. Liggett Drug Co., 150 F. 2d 656.....	19
O'Reilly v. Morse, 15 How. 62, 56 U. S. 62.....	38
Palmer, et al. v. Kaye, et al., 87 U. S. P. Q. 350.....	33
Park-In Theatres, Inc. v. Rogers, 130 F. 2d 745.....	11
Permutit Co. v. Graver Corp., 284 U. S. 52.....	21, 40

	PAGE
Phillips v. Detroit, 111 U. S. 604.....	33
R. G. Le Tourneau Inc. v. Garwood Industries, 151 F. 2d 432.....	4
Refrigeration Patents Corporation v. Stewart-Warner Corporation, 159 F. 2d 972; cert. den. 331 U. S. 834, 67 S. Ct. 1515....	36
Reinharts Inc. v. Caterpillar Tractor Co., 85 F. 2d 628.....	20
Rice v. Nash Kelvinator Corp., 150 F. 2d 457.....	36
Saranac Automatic Machine Corp. v. Wirebounds, 282 U. S. 704	33
Schick Service, Inc. v. Jones, 173 F. 2d 969.....	32, 43, 47
Schilling v. Schwitzer-Cummins Co., 142 F. 2d 82.....	19
Sena v. American Turquoise Co., 220 U. S. 497, 31 S. Ct. 488....	18
Simons v. Davidson Brick Co., 106 F. 2d 518.....	19
Societe Suisse Pour Valeurs de Metaux v. Cummings, 69 App. D. C. 157, 99 F. 2d 387.....	20
Springfield Fire and Marine Ins. Co. v. National Fire Ins. Co., 51 F. 2d 714.....	17
Stoody Co. v. Mills-Alloys, Inc., 67 F. 2d 807.....	24
Tennessee Coal, Iron & R. Co. v. Muscoda, 137 F. 2d 176; aff'd 321 U. S. 590, 64 S. Ct. 698; rehear. den. 322 U. S. 771, 64 S. Ct. 1257.....	18
Terhone v. Phillips, 99 U. S. 592.....	47
Timken-Detroit Axle Co. v. Cleveland Steel Products Corp., 148 F. 2d 267.....	44
Toledo Pressed Steel v. Standard Parts, Inc., 307 U. S. 350....	32, 33
Trico Products Corp. v. Rico Mfg. Co., 45 F. 2d 599.....	31
United Carbon Co. v. Binney Co., 317 U. S. 228.....	37, 45
United States v. National Bank of Commerce of Seattle, 73 F. 2d 721 .....	16
Westinghouse Electric v. Toledo, etc., 172 Fed. 371.....	24
White v. Dunbar, 119 U. S. 47.....	40
Williams v. Vreeland, 250 U. S. 295, 39 S. Ct. 438.....	17
Wilson Western Sporting Goods Co. v. George E. Barnhart, 81 F. 2d 108.....	31

STATUTES	PAGE
Federal Rules of Civil Procedure, Rule 36(a).....	3
Federal Rules of Civil Procedure, Rule 56.....	15
Federal Rules of Civil Procedure, Rule 56(e).....	50
46 Statutes at Large, p. 376.....	10
United States Code, Title 35, Sec. 31.....	10
United States Code Annotated, Title 35, Sec. 33.....	5, 6, 38, 45
United States Code Annotated, Title 35, p. 70.....	48
United States Revised Statutes, Sec. 4888.....	38

#### TEXTBOOKS

Encyclopedia Britannica, 14th Edition.....	50
--	----



No. 12627

IN THE

# United States Court of Appeals

FOR THE NINTH CIRCUIT

---

PARK-IN THEATERS, INC., a corporation,

*Appellant,*

*vs.*

SETH D. PERKINS, GEORGE E. MITZEL, LA VERE CO., a corporation, and DRIVE-IN THEATERS OF AMERICA, a corporation,

*Appellees.*

---

## BRIEF FOR APPELLEES.

---

### Introduction.

Appellant, Park-In Theatres, Inc. (plaintiff below) has appealed from a judgment rendered by the United States District Court for the Southern District of California holding plaintiff's patent No. 1,909,537 (issued to Hollingshead May 16, 1933) invalid. Appellant is a New Jersey corporation. The patent relates to what is now known as a drive-in motion picture theater. Appellees (defendants below) are Seth D. Perkins, George E. Mitzel, La Vere Company and Drive-In Theatres of America, inhabitants of California, and were charged with infringement of the patent.

Plaintiff joined with defendants in a motion for summary judgment, thereby authorizing the District Court to dispose of the issue of invalidity on the prior patents, ad-

missions, affidavits and pleadings and records in this case. After findings, conclusions and judgment had been filed, plaintiff appealed, denying that the District Court had authority.

It is submitted that the stipulation is binding and the judgment should be affirmed. The findings are based upon facts shown by the record and compel a judgment holding patent No. 1,909,537 invalid.

### **Brief Statement of the Case.**

Appellant, plaintiff below, a New Jersey corporation, is a holding company which owns the Hollingshead patent No. 1,909,537 issued May 16, 1933 (expired May 16, 1950) entitled "Drive-In Theatre". In August, 1948, plaintiff filed its complaint against defendants, charging them with infringement of the patent. Defendants admitted jurisdiction, but denied infringement and denied validity of the patent by answer filed in December, 1948.

Before answer, defendants filed interrogatories to be answered by plaintiff [R 9-12] and in their answers thereto, plaintiff admitted that it did not know which, if any, of the defendants built, sold, or used the two open-air theaters specifically mentioned in the complaint [see answers to Interrogatories 11 and 12, R 19]. Since paragraphs 10, 11 and 12 of the complaint were believed to be sham, false and based on surmise only, defendants moved to strike these paragraphs of the complaint, but such motion to strike or for more definite statement was denied November 22, 1948.

---

NOTE: The parties shall be referred to as plaintiff and defendants. The references to the printed record, including Vol. II of Exhibits, shall be by R followed by page number. Emphasized matter in decisions is by defendants.

After answer was filed, defendants filed a request for admissions [R 38-48], answers thereto being returnable February 9, 1949. Plaintiff did not request an extension of time within this period, did not comply with Rule 36(a), and all of the admissions requested stood admitted by failure to deny or object. Two weeks later, on February 23, 1949, plaintiff filed a response to a part only of the requests, and objected to other requests [R 49-61]. Hearing was had on this belated response and objections on March 21, 1949, and Judge Pierson Hall allowed these belated responses and objections (Item 36 of Appendix A to plaintiff's Brief).

Defendants filed a motion for dismissal on December 9, 1949 [R 77-87]. After hearing on December 19, 1949, the Court entered an order, stating:

“It is stipulated and ordered that defendants' motion be deemed a motion for summary judgment, that it be deemed that plaintiff to have joined with defendant moved (*sic.* defendant's motion) for summary judgment, on the question of invalidity.” [R 88.]

Pursuant to this stipulation, made in open Court, and the minute order, defendants filed the motion for summary judgment [R 89-94] with supporting affidavit and copies of patents [R 95-104]. Although plaintiff obtained an extension of time to January 28, 1950, to file its memorandum in opposition, it did not do so. On February 16, 1950, plaintiff belatedly filed affidavits by Taylor [R 106-114] and Boyle [R 115-128].

After considering the pleadings, motion, patents and records in this case for over a month, the District Court rendered its memorandum decision March 27, 1950 [R 129-130] holding the patent invalid on several grounds.

Findings of fact and conclusions of law approved and adopted by the Court correctly state the basis for the decision [R 133-140]. The summary judgment entered [R 140-142] should be affirmed.

The judgment holds Hollingshead patent No. 1,909,537 invalid for lack of invention [Items 3 and 4, R 141] and this is clearly supported by Findings 4, 5 and 6 [R 134-135] and Conclusions 3 and 4. The judgment holds the patent invalid over the prior art [Item 5, R 141] and this is supported by Findings 5 and 6. The judgment holds the claims of the patent invalid for failure to properly define the invention [Items 6 and 7, R 141-142] and for functionality; this conclusion is supported by Findings 7, 8 and 9 [R 136-137].

The judgment awards costs and attorneys' fees to defendants [Item 8, R 142] and the basis of the award is clearly stated in Findings 10 and 11. This was not an abuse of discretion.

**Unless plaintiff can show that the findings are in substantial error, the judgment must be affirmed.** Actually, plaintiff does not contend that the findings are in error; plaintiff has some trivial objections to language but not to substance. Plaintiff's argument is directed to the conclusion reached by the District Court, but the facts compel a judgment of patent invalidity.

"Nowhere in appellant's brief is there a contention that the District Court's findings are erroneous; instead the argument is directed to the Trial Court's failure to find that the enumerated concepts constituted invention."

*R. G. Le Tourneau Inc. v. Garwood Industries* (C. C. A. 9), 151 F. 2d 432.

### Brief Summary of Defendants' Argument.

It is submitted that no grounds for reversal exist and the judgment of the District Court must be affirmed.

1. Having agreed to a determination of the issue of invalidity by the Court upon the record, by stipulation in open Court, plaintiff is now estopped from questioning the authority of the District Court to render judgment.
2. The only questions before the Appellate Court are (A) whether there is evidence in favor of the necessary findings, and (B) whether there was error in the application of the law.
3. The Hollingshead patent in suit is for a combination of old elements, each performing its separate function, without a new and unobvious result. No invention is involved and the patent is invalid.
4. The findings are amply supported by fifteen prior art patents and four publications which were before the District Court and which were **not cited by the Patent Office** in allowing the Hollingshead patent. The prior art shows essentially the same elements in the same relation for the same purpose. The Hollingshead patent is invalid for lack of invention over the prior art.
5. Findings of fact, that the claims are indefinite and functional, are substantiated by the uncontroverted language of the patent. The claims are invalid because they attempt to cover a result or function; they are invalid for failure to define an invention as required by 35 U. S. C. A. §33.

6. **The District Court correctly applied the law** and found the claims invalid for lack of invention over the prior art and failure to comply with the provisions of 35 U. S. C. A. §33.
7. The record of this case, including plaintiff's opening brief, shows that the case was brought upon surmise and suspicion and not in good faith; that plaintiff has delayed proceedings by failure to adhere to Rules of Civil Procedure and by advancing unjustified, frivolous and sham contentions; that plaintiff has made misrepresentations as to facts; that these tactics have been prejudicial and costly to the defendants, and the District Court, in the exercise of its discretion, properly made findings of fact thereon and awarded costs and reasonable attorneys' fees to defendants.

### **The Patent in Suit.**

The patent in suit does not relate to chemistry or problems of nuclear fission wherein a trial court cannot read patents or publications understandingly and perforce must rely upon expert testimony. Instead, this is a simple case involving people seated in an automobile and viewing a stage or screen. It makes no difference whether a spectator is seated upon a bench supported by the terraced ground, as in open-air theaters which have existed since the times of the Greeks, whether the spectator is seated in a chair supported by an inclined floor (as all of us are seated in a normal theater), or whether the spectator is seated on a chair or seat supported by the floor of an automobile, such automobile resting upon terraced ground. In each instance the chair or seat faces the stage or screen,

the seats are arranged in arcuate rows so as to face the stage, sufficient space is provided between the rows so as to permit spectators to move into a vacant position and the rows vary in elevation, the rows farthest from the screen being higher so as to permit spectators to see the stage without undue interference by others in front of the spectator.

“The patent involved in the present case belongs to this list of incredible patents which the Patent Office has spawned.”

Mr. Justice Douglas, concurring in *Great A. & P. Tea Co. v. Supermarket Equipment Co.*, 70 S. Ct. 127, 95 L. Ed. 118 (87 U. S. P. Q. 303 at 308).

Hollingshead filed his application for patent in August, 1932, and the patent issued within ten months, on May 16, 1933. The Patent Office, in a perfunctory action on this application, referred to one patent, No. 1,830,518 and to page 162 of “The Architectural Record” for February, 1931. **None of the prior art patents and publications relied upon by defendants and before the District Court were cited by the Patent Office.**

The patent relates to the construction of an open-air or outdoor theater, wherein any performance on a stage or screen can be viewed by people while seated in an automobile. Claims 2, 4, 5, 6, 10, 15, 16 and 19 were in issue.

Claim 2 reads as follows:

“An outdoor theater comprising a stage, alternate rows of curvilinear automobile drive-ways and curvilinear and vertically inclined automobile stall-ways arranged in front of the stage, said stall-ways being adapted to receive automobiles disposed adjacent to each other and facing the stage; said automobile stall-

ways being at a vertical angle with respect to the stage *such as will produce* a clear angle of vision from the seat of the automobile, through the windshield thereof to the stage, free of obstruction from the automobiles ahead of it.”

Certain claims, such as 5 and 6, add a motion picture projection booth and sound reproducing means; claims 4 and 6 include “an abutment along the front boundary of each of the stallways for limiting the forward position of the automobiles therein,” in the manner of a log curb at the edge of a road-side view-point.

During the hearing of December 19, 1949, plaintiff’s counsel stated that invention was not claimed in any single element described in the patent; this is an admission that the elements were individually old. However, plaintiff claimed invention in the combination stating:

“The admission was made that in the action the plaintiff would rely upon invention residing in the combination and not in any particular element.”  
[R 130.]

The claims of the Hollingshead patent are for a combination of elements and, as stated by Mr. Justice Jackson in delivering the opinion of the Court in the *Great A. & P. Tea Co. v. Supermarket Equipment Corp.* case, *supra*:

“Court should scrutinize combination patent claims with a care proportioned to the *difficulty and improbability* of finding invention in an assembly of old elements. \* \* \* A patent for a combination which only unites old elements with no change in their respective functions, such as is presented here, obviously withdraws what already is known into the field of its monopoly and diminishes the resources available to skillful men.”



The patent in suit is not for a cooperative arrangement of elements; it is for an aggregation. No new or unusual result is obtained, and the claims are invalid.

“\* \* \* The conjunction or concert of known elements must contribute something; only when the whole in some way exceeds the sum of its parts is the accumulation of old devices patentable. Elements may, of course, especially in chemistry or electronics, take on some new quality or function from being brought into concert, but this is not a usual result of uniting elements old in mechanics. *This case is wanting in any unusual or surprising consequences from the unification of the elements here concerned*, and there is nothing to indicate that the lower courts scrutinized the claims in the light of this rather severe test.”

*Great A. & P. Co. v. Supermarket Equipment Corp.*, 70 S. Ct. 127, 95 L. Ed. 118.

That such aggregations of old elements are not patentable has been established in numerous cases, among them being:

*Grinnell Washing Machine Co. v. Johnson Co.*, 247 U. S. 426, 438;

*Mettler v. Peabody Engineering Co.*, 77 F. 2d 918 (C. A. 9);

*Bailey v. Sears Roebuck & Co.*, 115 F. 2d 904 (C. A. 9).

In *Eagle et al. v. P. & C. Hand Forged Tool Co.*, 74 F. 2d 918, this Court stated:

“*It is not necessary that all of the elements of the claim be found in one prior patent. If they are all found in different prior patents and no new functional*

relationship arises from the combination, the claim cannot be sustained. *Keene v. New Idea Spreader Co.*, 231 Fed. 701; see also *Keszthelyi v. Doheny Stone Drill Co.*, 59 F. (2d) 3.

“All of the elements of the patent in suit were present in the prior art and combining these elements to make the patented device did not involve invention. Widespread use of the device combining these elements old in the art is evidence of its utility but is not conclusive of its patentable novelty. *Adams v. Bellaire Stamping Co.*, 141 U. S. 539, 542; *McGhee v. LeSage & Co., Inc.*, 32 F. (2d) 875. Appellant’s patent was anticipated in the prior art and is therefore invalid.”

The above decision is particularly noted since it disposes not only of the question of invention but also shows the irrelevancy of plaintiff’s argument as to purported commercial success.

### **Prior History of Hollingshead Patent.**

Plaintiff, as owner of the Hollingshead patent, has filed infringement actions against many owners and operators of open-air theaters, and by delaying tactics and the prejudicial effects of pending litigation and expenses imposed upon a defendant, plaintiff has obtained numerous consent decrees and judgments by default. Only two prior reported decisions are of interest.

In 1941 the late Judge Hollzer (Southern District of California) held the Hollingshead patent invalid as not relating to patentable subject matter coming within the statute (35 U. S. C. §31; 46 Stat. 376). This Court, on appeal, returned the case to the District Court for trial

(*Park-In Theatres, Inc. v. Rogers*, 130 F. 2d 745) and stated:

“\* \* \* The lower court defines its conclusions to the proposition that the theater was not a patentable subject and, consequently, did not consider the question of invention, utility, etc.

“We conclude that the outdoor theater comes under a patentable classification, as a manufacture or machine

“\* \* \* For that reason we reverse the decision *without doing more* than to hold that the structure in question is within a patentable classification.”

Judge Stephens dissented from the opinion. No further trial was had by the District Court.

The Hollingshead patent was held invalid by the 1st Circuit in the case of *Loew's Drive-In Theaters, Inc. v. Park-In Theatres, Inc.*, 174 F. 2d 547. Judges Magruder, Woodbury and Peters heard this appeal and picked up the study of this patent where it had been left by the 9th Circuit, stating:

“Furthermore, we concede that a drive-in theater structure may be the subject matter of a patent.” (Citing the 9th Circuit decision, *Park-In Theatres, Inc. v. Rogers*, 130 F. 2d 745.)

In a well-reasoned opinion, the 1st Circuit stated that findings relating to the general “idea”, advertising and purported commercial success were beside the point, since the primary question was whether the means disclosed by the patent require the exercise of the inventive faculty. On this question the Judges unanimously found that the Hollingshead patent did not in-

volve invention and that the claims were invalid. The essence of their thinking was stated as follows:

“\* \* \* This arcuate arrangement of parking stalls in a lot is obviously *only an adaptation to automobiles of the conventional arrangement of seats in a theatre employed since ancient times* to enable patrons to see the performance while looking comfortably ahead in normal sitting position without twisting the body or turning the head. \* \* \* But nevertheless there is nothing inventive in adapting the old arcuate arrangement of seats in a theatre to automobiles in a parking lot as the means to achieve horizontal pointing. Indeed the plaintiff does not seriously contend that there is.

\* \* \* \* \*

“Certainly terracing the parking lot as the means for giving occupants of cars in the rearward rows of stalls a clear field of vision over the tops of cars in front is not inventive. It is again *only an adaptation of the familiar sloping floor of the conventional theatre*. Nor was the faculty of invention required to grade each row of stalls to an appropriate vertical angle, the rearward rows at successively lesser angles, to aim the cars in each row at the screen. *Anyone with even ordinary perception* would certainly realize that the vertical angles of the automobiles would have to be adjusted with reference to the height of the screen to achieve clear vision of the screen, and that on a terraced lot the rearward rows of stalls would have to be at successively lesser angles of upward inclination or else the occupants of cars in those rows would not only look over the tops of the cars ahead, but also, unless they craned their necks, look over the screen entirely. And grading the stalls longitudinally as the means for tilting cars in them vertically surely

does not call for inventive ingenuity. Making every allowance for viewing the patentee's contribution in the light of hindsight, it seems to us that grading the ground upon which an automobile is to be placed for the purpose of giving it the title desired would be *the first expedient to occur to anyone who put his mind to the problem.*

\* \* \* \* \*

“\* \* \* Again making full allowance for the unavoidable necessity of our viewing the means in the light of hindsight, we cannot believe that it called for invention to grade the floors of the stalls at different angles to permit the tilting of cars therein at the will of the driver. This expedient, we feel convinced, would readily occur to anyone skilled in the art of construction who put his mind to the problem.”

It is to be noted that the 1st Circuit held the Hollingshead patent **invalid without even referring to prior art patents or publications.** In the instant case the District Court had before it fifteen prior art patents which had not been considered by the Patent Office nor mentioned by the 1st Circuit. Among these prior patents are some which show a vehicle (an automobile) on an incline, the vehicle being pointed at a screen, the occupants observing a motion picture projected upon the screen. Other prior patents show means for tilting a car “to thereby raise and lower the open (front) end of the car, that the occupants thereof may see the different views thrown on the screen.”

The District Court did not find that the patent in suit did not relate to subject matter within the scope of the statute; the District Court was bound by the Rogers decision as to that point. The District Court did not limit

his findings and conclusions to those expressed by the 1st Circuit, but instead found the patent invalid on three grounds, two not even mentioned by the 1st Circuit. The District Court had the 1st Circuit decision before it and mentioned it, as is proper under the rules of comity, but also found the patent invalid on facts and reasons not stated by the 1st Circuit in its decision. There is no impropriety in mentioning a decision by a Court of Appeals; it would be improper not to mention such decisions.

**Having Agreed to a Determination of the Issue of Invalidity by the Court Upon the Record and Papers in the Case, Plaintiff Is Estopped From Questioning the Procedure Employed.**

Plaintiffs confused and confusing brief attacks the authority of the District Court to determine invalidity of the Hollingshead patent in suit (questions 6, 7 and 8 on p. 18 of plaintiff's Brief; alleged errors 25 and 26 of plaintiff's Brief; argument p. 27, etc.). This is a totally unjustifiable attack.

In the instant case, plaintiff, through its counsel and in open Court, **stipulated** that the question of validity or invalidity of the Hollingshead patent be submitted for determination by the District Court. This stipulation was memorialized by the Court in its minute order of December 19, 1949, and states:

“It is stipulated and ordered that defendants' motion be deemed a motion for summary judgment, that it be deemed that plaintiff to have joined with defendant moved for summary judgment, on the question of invalidity.

“It is stipulated and ordered that defendants have to, and including Dec. 21, 1949, to file a supplemental

or amended motion; that the motions stand submitted on the record, together with briefs, and affidavits to be filed; plaintiff to have to, and including Jan. 6, 1950, to file opposing documents and defendants to have to, and including Jan. 16, 1950, to file reply documents.” [R 88-89.]

Plaintiff joined with defendants in the motion for summary judgment in order to save time and have the issues of invalidity decided by the Court. Plaintiff’s counsel, by virtue of his employment, has authority to stipulate to all matters pertaining to procedure. (*Equitable Trust Co. of New York v. Washington-Idaho Water, Light and Power Co.*, 300 Fed. 601.) The District Court had the right to believe that the stipulation was made in good faith.

By joining with defendants in submitting the issue of invalidity for determination by the Court on a motion for summary judgment under Rule 56, plaintiff admitted that there was no genuine issue as to material facts and that the invalidity of the patent was simply a question of law. The Hollingshead patent in suit and the prior art patents were before the Court, and as later stated by plaintiff

“\* \* \* the patents and publications are before the Court and speak for themselves \* \* \*.” [R 131.]

Plaintiff voluntarily agreed to have the issue of validity determined by the District Court upon the affidavits, prior art patents, requests for admissions, admissions, interrogatories, and answers thereto, stipulations and other papers in this case. Plaintiff cannot play fast and loose with the Court; plaintiff cannot now repudiate the agreement made with the Court.

Admittedly, plaintiff did not waive its right to appeal, but on this appeal plaintiff should point out wherein the findings of fact are in error. Plaintiff cannot question the District Court's authority to decide the issue voluntarily submitted by both parties to the Court for determination.

“\* \* \* and the question of validity of a patent is a question of law. *Mahn v. Harwood*, 112 U. S. 354, 358.”

Concurring opinion, *Great A. & P. Tea Co. v. Supermarket Equipment Corp.*, 70 S. Ct. 127, 95 L. Ed. 118.

The situation which arises when both plaintiff and defendant make a motion for summary judgment is the same as that when both parties move for a directed verdict. In *Beuttell v. Magone*, 157 U. S. 154, 15 S. Ct. 566, Mr. Justice White, in delivering the opinion of the Court, said:

“\* \* \* As, however, *both parties* asked the court to instruct a verdict, both affirmed that there was no disputed question of fact which could operate to deflect or control the question of law. This was necessarily a request that the court find the facts, and the parties are therefore *concluded by the finding made by the court*, upon which the resulting instruction of law was given. The facts having been thus submitted to the court, we are limited to reviewing its action, to the consideration of the correctness of the finding on the law, and must affirm, if there be any evidence in support thereof.”

Cited with approval by this Court in

*United States v. National Bank of Commerce of Seattle*, 73 F. 2d 721 at 724.



“As *each party* submitted a motion without qualification for a directed verdict, the Court was authorized to grant one or the other of the motions, and error could not be assigned here, unless there was no substantial evidence to support the verdict.”

*Laredo National Bank v. Gordon*, 61 F. 2d 906, 907 (C. A. 5).

See also:

*Williams v. Vreeland*, 250 U. S. 295, 298, 39 S. Ct. 438;

*Fidelity and Casualty Co. v. Martin*, 66 F. 2d 438, 440 (C. A. 9);

*Moore v. Fain*, 251 Fed. 573 (C. A. 6);

*La Crosse Plough Co. v. Pagenstecher*, 253 Fed. 47 (C. A. 8);

*Springfield Fire and Marine Ins. Co. v. National Fire Ins. Co.*, 51 F. 2d 714, 717 (C. A. 8).

The general rule as expressed by the above cases has been applied in instances where both plaintiff and defendant have filed motions for summary judgment on the pleadings, exhibits, documents and affidavits, the Courts holding that the cause is before the Court on the pleadings and documents referred to and should be determined. (*Hartford Accident and Indemnity Co. v. Flanagan*, 28 Fed. Supp. 314; *Amaya v. Stanolind Oil and Gas Co.*, 64 Fed. Supp. 181, affirmed 158 F. 2d 544, cert. denied 331 U. S. 808, 67 S. Ct. 1191, rehearing denied 331 U. S. 867, 67 S. Ct. 1530.)

It is to be noted that by stipulating to a determination of invalidity by the Court and joining with defendants in

their motion for summary judgment, plaintiff also waived trial by jury. A party can waive trial by jury by conduct and agreement. (*Tennessee Coal, Iron & R. Co. v. Muscoda*, 137 F. 2d 176, affirmed 321 U. S. 590, 64 S. Ct. 698, rehearing denied 322 U. S. 771, 64 S. Ct. 1257; also *In re Malloys Estate*, 278 N. Y. 429, 17 N. E. 2d 108.)

The present case does not involve technical subject matter; all of us have sat in automobiles in parking areas by the side of the road and enjoyed a scenic view or children at play. The District Court could understand the patent in suit and the prior patents from reading and comparing them. Only a question of law remained and it is submitted that the District Court properly applied the law.

Therefore, most of the contentions made by plaintiff in its brief need not be answered, since they are unfounded, without basis, and need not be considered by this Court. As stated by Mr. Justice Holmes:

“A judgment entered on a verdict directed by the Court, after both parties had moved for such direction, must stand, unless the Court’s ruling is wrong as a matter of law.”

*Sena v. American Turquoise Co.*, 220 U. S. 497, 31 S. Ct. 488.

THE ONLY QUESTIONS BEFORE THE APPELLATE COURT ARE WHETHER THERE IS EVIDENCE IN FAVOR OF THE NECESSARY FINDINGS AND WHETHER THERE WAS ERROR IN THE APPLICATION OF THE LAW.

## Findings of Fact Signed by the District Court Are Presumptively Correct.

Among the many frivolous contentions advanced by plaintiff is that the findings of fact and conclusions of law (based upon the District Court's Memorandum Decision R 129] were prepared by defendants' counsel and this, for some unexplainable reason, makes such findings improper when signed by the Court (Plaintiff's Br. p. 37).

Obviously, findings of fact and conclusions of law may be prepared by the trial judge alone, or with the assistance of his law clerk and his secretary, or from a draft submitted by counsel

“\* \* \* It is no more appropriate to tell a trial judge he must refrain from using or requiring the assistance of able counsel, in preparing his findings, than it would be to tell an appellate judge he must write his opinions without the aid of briefs and oral argument.”

*Schilling v. Schwitzer-Cummins Co.*, 142 F. 2d 82 (C. A. D. C.).

“\* \* \* The fact that opposing counsel has prepared and submitted findings of fact for the consideration of the trial judge, and that such findings of fact may have been adopted by the trial judge as his findings, in no way detracts from their legal force or effect.”

*Simons v. Davidson Brick Co.*, 106 F. 2d 518 (C. A. 9), cited with approval by C. A. 6 in *O'Leary v. Liggett Drug Co.*, 150 F. 2d 656.

“In cases requiring findings of facts it is the better practice to insist that counsel for the prevailing party submit to the court and to the adverse party proposed findings.”

*Societe Suisse Pour Valeurs de Metaux v. Cummings*, 69 App. D. C. 157, 99 F. 2d 387, 390.

The findings and conclusions are presumptively correct. (*National Biscuit Co. v. Crown Baking Co.*, 102 F. 2d 422 (C. A. 1).) Plaintiff is forced to rely upon devious and frivolous arguments, because the findings correctly state the facts as shown by the record and compel the holding of invalidity reached by the District Court.

### **The Hollingshead Patent Must Be Adjudged by Its Claims.**

Realizing that the claims of the patent in suit are invalid, plaintiff attempts to becloud the issue by talking about things which the claims do not include. For example, plaintiff continually refers to “*backwardly inclined ramps*,” whereas this is **not disclosed in the claims**.

This Court has repeatedly recognized and followed the generally accepted rule and succinctly stated it:

“A patented invention, whether used or unused, is measured, not by the specifications and drawings, but by the claims of the patent.”

*Reinharts Inc. v. Caterpillar Tractor Co.*, 85 F. 2d 628 (C. A. 9).

Plaintiff cannot rely upon drawings of the patent for which he has failed to claim. Patent drawings

“\* \* \* are of no avail where there is an entire absence of description of the alleged invention or a failure to claim it.”

*Permutit Co. v. Graver Corp.*, 284 U. S. 52 at 60.

“\* \* \* Congress requires of the applicant ‘a distinct and specific statement of what he claims to be new, and to be his invention.’ Patents, whether basic or for improvements, must comply accurately and precisely with the statutory requirements as to claims of invention or discovery. The limits of a patent must be known for the protection of the patentee, the encouragement of the inventive genius of others and the assurance that the subject of the patent will be dedicated ultimately to the public. The statute seeks to guard against unreasonable advantages to the patentee and disadvantages to others arising from uncertainty as to their rights. The inventor must ‘inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not.’ The claims ‘measure the invention.’”

*General Electric Co. v. Wabash Appliance Corp., et al.*, 304 U. S. 364 at 369.

It is submitted that the claims do not define an invention and are invalid because they are for an aggregation of old elements in which each element simply performs the

same old and expected function, without any new or unexpected result.

“\* \* \* There was no new function performed by the combination. The function performed was merely to indicate the location of the rotor blades, as in prior devices. Hence it was not patentable as a combination of old elements. *Mettler v. Peabody Engineering Co.*, 77 F. 2d 56; *Eagle et al. v. P. & C. Hand Forged Tool Co.*, 74 F. 2d 918; *Grinnell Washing Machine Co. v. Johnson Co.*, 247 U. S. 426, 438. What we have here is an aggregation of parts assembled by mere mechanical skill.”

*Bailey v. Sears, Roebuck & Company*, 115 F. 2d 904 (C. A. 9).

### The Patent in Suit Was Before the Court.

In attempting to confuse the issue, plaintiff misrepresents the facts by stating that the District Court did not study and compare the patent in suit.

A copy of the Hollingshead patent No. 1,909,537 was attached to defendants' motion for summary judgment [R 89] and an extra copy of said patent was given the court on December 19, 1949, for his use. In accordance with local rules of Court, all documents are filed in duplicate, a carbon copy being used by the Court while the original is retained by the clerk when not in use. Counsel for defendants hereby certifies that he has personally inspected the Court's copy of the file in this case in the presence of the Court (Judge James M. Carter) and the Court's sec-

retary, and a copy of the patent in suit, No. 1,909,537, was found in such file. If, as plaintiff represents, a copy of the patent in suit was not included in the record as sent up to the Court of Appeals, the absence of the patent from the record is inadvertent and accidental.

**Plaintiff is hereby challenged** to obtain the facts from the District Court in writing and append such facts to plaintiff's reply brief. Plaintiff should apologize to the Court for asserting that the memorandum decision [R 129] was made without a study of the patent (Plaintiff's Br. pp. 35-36).

Furthermore, the patent in suit was proffered by plaintiff [§4 of Complaint, R 3] and the patent was thus offered and submitted to the Court. Plaintiff joined with defendant in asking the Court to determine invalidity on the record, exhibits and affidavits. Counsel for plaintiff **knew** that a copy of the patent in suit was a part of the record. Certainly plaintiff would not have asked the District Court to hold valid a patent which the Court did not have before it.

The false and unjustified assertions made by plaintiff emphasize the evasive, dilatory and unjustified tactics employed by plaintiff throughout the case to the prejudice and harassment of defendants, and which caused the Court, in its discretion, to make Finding 11 and award attorneys' fees to defendants.

## Presumption of Validity Is Overcome by Pertinent Prior Art Not Cited by Patent Office.

The patent in suit was issued inadvertently and only one patent and one publication were cited by the Patent Office. Here, the District Court had before it Exhibits A-1 to A-4 [R 276-282] and fifteen prior patents, Exhibits B-1 to B-15 [R 164-255] which were not referred to by the Patent Office. These prior patents and publications show the same elements, in the same normal relationship, for the same purpose as in the Hollingshead patent.

In *Mcttler v. Peabody Engineering Corp. et al.*, 77 F. 2d 56, this Court said:

“The presumption of validity which attends the issuance of Letters Patent by the Patent Office is overcome in this case by the clear evidence of anticipation in the prior art which was not cited or considered by the Patent Office when the application for appellant’s patent was passed on. See *Elliott & Co. v. Youngstown Car Mfg. Co.*, 181 Fed. 346 (C. C. A. 3); *American Soda Fountain Co. et al. v. Sample*, 130 Fed. 145 (C. C. A. 3).”

This rule has been repeated by this Court on numerous occasions and is followed by all circuits. For example see:

- McClintock v. Gleason*, 94 F. 2d 115 (C. A. 9);
- Sidney Hollis Boynton v. Chicago Hardware Co.*, 77 F. 2d 799 (C. A. 7);
- Market Soda Fountain Co. v. Sample*, 130 Fed. 145;
- Stoody Co. v. Mills-Alloys, Inc.*, 67 F. 2d 807 (C. A. 9);
- Elliott & Co. v. Youngstown Car Mfg. Co.*, 181 Fed. 345;
- Westinghouse Electric v. Toledo, etc.*, 172 Fed. 371.



“\* \* \* But the presumption is overthrown beyond all reasonable doubt by the disclosures in evidence before this court which were unknown and undisclosed to the Patent Office. *Alexander Anderson, Inc. v. Eastman*, 16 Fed. Supp. 515.”

*Barkeij v. Ford Motor Company*, 22 Fed. Supp. 1011.

Keeping in mind the admonition of the Supreme Court of the United States to scrutinize combination patent claims with care, the teachings of the prior art patents preclude reliance on a “presumption” of validity and compel a holding of invalidity.

**Findings of Fact 4, 5 and 6 Correctly State Uncontroverted Facts Which Necessitate a Judgment That the Patent in Suit Is Invalid.**

During the hearing of December 19, 1949, plaintiff's counsel stated that invention was not claimed in any single element described in the patent; this is an admission that the elements were individually old. However, plaintiff claimed invention in the combination, stating:

“The admission was made that in the action the plaintiff would rely upon invention residing in the combination and not in any particular element.” [R 130.]

Defendants' request for admissions 1, 2, 3, 4, 5, 8, 9 and 12 [R 38-41] and the answers thereto [R 49-52] show that all of the elements, in substance, were admitted as old, with some minor argumentative quibbling. The combination of an outdoor stage with rows of means, for occupancy by spectators, arranged in front of the stage was also old (Request 9). Certainly there is no novelty in the

combination of a motion picture screen, projector and sound reproducing means.

Each of the elements of the claims of the Hollingshead patent performs its normal function. A driveway is still a driveway; a stallway is only an area adapted to receive an automobile; the seat of an automobile supports a person in the same way as a seat in a theater; an incline tilts an automobile upon it as any schoolboy would expect; a person seated in an automobile gazes through the windshield with eyes given him by Nature; "any conventional sound reproducing and motion picture projecting means may be employed" (patent p. 2, lines 78-80), and the operation of the projector and reproducing means does not affect and is not affected by any of the other elements. The inclination of a stallway does not cause any difference in the driveway nor in the operation of the projector.

In view of the law, as expressed by the Supreme Court in the recent *Great A. & P. Tea Co.* case, referred to on pages 7 to 9 of this brief, and repeatedly stated by this Court, the District Court correctly held that no invention was involved in again combining these old elements, since no new or unobvious result was obtained.

Plaintiff does not and cannot point to a single statement in Findings of Fact 5 and 6 [R 135] which is not justified by the record before the District Court. These uncontradicted findings require the Court to affirm the judgment of invalidity.

There is no invention in the idea of having people sit in a vehicle pointed at a screen upon which motion pictures are projected, because this is clearly shown in Patent No. 778,325 [Exhibit B-5; R 182] wherein, as shown in Fig. 2 of the patent, a vehicle 15 is pointed toward a screen

39 and proscenium 41 while motion pictures are projected upon the screen and proscenium by projector 37. It is to be noted that the vehicle is upon a “backwardly inclined” ramp. In patent No. 1,238,151 [Exhibit B-31; R 244] vehicles 17, in side-by-side relation, are pointed toward a common screen 14 upon which motion pictures are projected.

Although Finding of Fact 5 could be supported by facts coming within the Court’s judicial notice, it is conclusively supported by facts of record in this case.

- A. It was customary to use inclined or sloping floors in theaters. This is clearly shown in Exhibit B-1 [R 166] and illustrated in Exhibit A-1 to A-4 [R 276-282].
- B. It was customary to arrange seats in an arcuate arrangement, the seats facing the stage or screen. This is clearly shown in Fig. 1 of Exhibit B-1 [R 164] and illustrated by the stadia and open-air amphitheatres of the 1929 Edition of the Encyclopedia Britannica [R 277-282].
- C. It was customary to terrace the floor or ground as a means of permitting occupants of rearward terraces a clear view. The terracing shown in the Lempert patent [R 166] is such that

“\* \* \* each member of the audience may enjoy an unobstructed view of both the stage and audience.” [R 168, p. 1, lines 22-24 of Exhibit B-1.]

“In England, at Silchester, in Hampshire, there is an example in which the seats were placed largely upon banked up earth.” [R. 276, p. 847, Exhibit A-1.]

Seats of the vehicle illustrated in Exhibit B-3 [R 174] are arranged upon steps or terraces

“\* \* \* thus giving an opportunity for the passengers on the rear seats to have an unobstructed view over the heads of those in front.”  
[R. 177, lines 28-35.]

People seated in the vehicle of Patent No. 1,145,946 [Exhibit B-11; R 232] having an inclined floor 21, view motion pictures upon screen 23.

Exhibit B-12 [R 240] shows that it is old to provide chairs capable of attachment to sloping floors in theaters. Means for tilting all or a part of a floor of a hall are not new and are shown in Exhibit B-2 [R 170—note lines 67-68]. There is no invention in tilting a chair or seat backwardly, as evidenced by Exhibit B-10 [R 228].

There is no invention in providing a terraced floor for seats where such floor is tilted “backwardly” (downwardly away from the stage) since that is clearly shown in Exhibit B-14 [R 250] where the terraced floor 15 is “backwardly” inclined so “that the line of sight from any particular point to all points of the screen would not be obscured by persons forwardly from a point of observation” [p. 1, col. 2, lines 87-94, R 252].

The above exhibits show that there is substantial evidence in support of the finding. Seats on terraces can be benches, individual seats, or divans. Many children are brought to outdoor, Greek-type theaters and Punch and Judy shows in perambulators, etc., and watch the performance while seated in their vehicle. People have watched races while seated in their cars. The Court properly found that:

“\* \* \* The adoption of the teachings of the prior art and normal theater construction to a theater

wherein spectators sit on seats in an automobile instead of seats directly on the floor or ground, is within the skill of anyone who puts his mind on the problem. The selection and aggroupment of old elements for substantially the same purpose would readily occur to anyone skilled in the art of construction without an exercise of the faculty of invention.” [R 135.]

No objection has been made by plaintiff to Finding No. 6, which points to some additional prior art patents. Your Honors’ attention is specifically drawn to Exhibit B-9 [Patent No. 86,708; R 224] wherein people seated in a car or vehicle watch pictures projected upon a screen. The patent states that

“\* \* \* the car may be tipped that the open or outlook end of the car may sweep up and down or laterally with relation to the screen, \* \* \*.”  
[lines 21-24].

Is this not the mechanical and functional equivalent of “means for longitudinally tilting the automobiles in said stallways in order to produce a generally clear angle of vision”? (Hollingshead claim 10.)

It is to be noted that claim 3 of Exhibit B-9 covers a combination of:

a screen,  
means for projecting pictures on the screen,  
a car having an open end,  
seats for passengers in the car,  
and means to tip the car “to thereby raise and lower the open end of the car that the occupants thereof may see the different views thrown on the screen.”

In view of the antiquity of this combination, the lack of invention in any element of the combinations claimed in the patent in suit, and the rules of law enunciated by this Court and the Supreme Court of the United States, the District Court was correct in finding the patent in suit invalid.

### **A Patent for an Idea or Result Is Invalid and Not Within the Contemplation of the Statute.**

It is to be remembered that a patent cannot cover an idea or result, but only a construction or specific means whereby a result can be obtained.

“The use and purpose sought to be accomplished by the Hall patent was the radial expansion of the dress form but it is well settled by the authorities that the end or purpose sought to be accomplished by the device is not the subject of a patent. The invention covered thereby must consist of new and useful means of obtaining that end. **In other words, the subject of a patent is the device or mechanical means by which the desired result is to be secured.** *Carver v. Hyde*, 16 Pet. 513, 519; *LeRoy v. Tatham*, 14 How. 156; *Corning v. Burden*, 15 How. 252; *Barr v. Duryee*, 1 Wall. 531; *Fuller v. Yentzer*, 94 U. S. 288.”

*Knapp v. Morss*, 150 U. S. 227.

“In considering them it is important to bear in mind that the patent is for a combination merely, in which all the elements were known and open to public use. No one of them is claimed to be the invention of the patentee. \* \* \* It is simply a new combination of old and well-known devices, for the accomplishment of a new and useful result, that is claimed to be the invention secured by the patent. \* \* \*

But this result or idea is not monopolized by the patent. The thing patented is the particular means devised by the inventor by which that result is attained, leaving it open to any other inventor to accomplish the same result by other means.”

*Electric R. R. Signal Co. v. Hall Ry. Signal Co.*,  
114 U. S. 87, 29 L. Ed. 96.

“Invention must be found in the means, not the result.”

*Trico Products Corp. v. Rico Mfg. Co.*, 45 F. 2d  
599.

Also see:

*Measuregraph Co. v. Grand Rapids Show Case Co.*,  
29 F. 2d 263, 275 (C. A. 8);

*J. I. Case Co. v. Gleaner Harvester Corp.*, 135 F.  
2d 553 (C. A. 8);

*Flint v. G. R. Leonard & Co.*, 27 F. 2d 215 (C.  
A. 7).

### **Inventive Ingenuity Is Not Involved in Combining the Old Elements of the Prior Art. The Claims Are Invalid.**

The means used to obtain a result must convincingly show the exercise of invention, and not simply mechanical adaptation. This Court, in *Wilson Western Sporting Goods Co. v. George E. Barnhart*, 81 F. 2d 108, stated the rule as follows:

“The real and practical dangers resulting from granting or approving a patent for mere mechanical improvements were pointed out in vigorous language in the case of *Atlantic Works v. Brady*, 107 U. S. 192, 199-200;

“\* \* \* To grant a single party a monopoly of every slight advance made, except where the exercise of invention somewhat above ordinary mechanical or engineering skill is distinctly shown, is unjust in principle and injurious in its consequences.

“The design of the patent laws is to reward those who make some substantial discovery or invention, which adds to our knowledge and makes a step in advance in the useful arts. Such inventors are worthy of all favor. **It was never the object of those laws to grant a monopoly for every trifling device, every shadow of a shade of an idea, which would naturally and spontaneously occur to any skilled mechanic or operator in the ordinary progress of manufactures.**’

“\* \* \* assuming for the moment that the Lane tool has such advantages it would not on that account be patentable. It is not sufficient that the device be new and useful. It must also be an invention or discovery.”

*Lane Wells Co. v. M. O. Johnston Oil Field Service*, 181 F. 2d 707 (C. A. 9).

“There must be ingenuity over and above mechanical skill.”

*Schick Service Inc. v. Jones*, 173 F. 2d 969 (C. A. 9).

To the same effect:

*Keszthelyi v. Doheny Stone Drill Co.*, 59 F. 2d 3, 8 (C. A. 9);

*Toledo Pressed Steel v. Standard Parts Inc.*, 307 U. S. 350.



That the means claimed in the patent must involve a high degree of inventive ingenuity is repeatedly stressed in decisions of the Supreme Court. See:

*Hotchkiss v. Greenwood*, 114 U. S. 1, 11;

*Phillips v. Detroit*, 111 U. S. 604;

*Saranac Automatic Machine Corp. v. Wirebounds*,  
282 U. S. 704, 713;

*Concrete Appliances Co. v. Gomery*, 269 U. S. 177,  
185;

*Cuno Corp. v. Automatic Devices*, 314 U. S. 84, 91;

*Toledo Pressed Steel v. Standard Parts, Inc.*, 307  
U. S. 350.

All of the elements were available. Hollingshead did not invent a single element. The use of an outdoor, elevated screen to receive pictures projected from a booth, such screen being in such position as to be visible to people in automobiles, is shown in Exhibit B-15 [R 255]. Constructions showing an automobile on an incline, the occupants watching pictures projected upon a screen are shown in Exhibit 5 [182-183]. Tilting of a car to enable occupants to view projected pictures is also shown [R 224, 226].

Certainly the District Court was correct in concluding that inventive ingenuity, warranting a patent monopoly, was not exercised by Hollingshead. The widening and adaptation of inclined or terraced floors of outdoor theaters to accommodate automobiles is simply a change of degree and not of substance. This Court has stated, on November 16, 1950, in the case of *Palmer et al. v. Kaye, et al.*, ..... F. 2d ..... (87 U. S. P. Q. 350).

“\* \* \* Such a result would appear to come from a mere change in form, manifesting a difference in degree only.

“We think the improvement is one within the rule stated in *Cuno Corp. v. Automatic Devices Corp.*, 314 U. S. 84, 90, as follows: ‘We may concede that the functions performed by Mead’s combination were new and useful. But that does not necessarily make the device patentable. Under the statute 35 U. S. C. A. §31, §4886, the device must not only be “new and useful,” it must also be an invention or “discovery”. *Thompson v. Boisselier*, 114 U. S. 1, 11, 5 S. Ct. 1042, 1047, 29 L. Ed. 76. Since *Hotchkiss’ Ex’x v. Greenwood*, 11 How. 248, 267, 13 L. Ed. 683, decided in 1851, it has been recognized that if an improvement is to obtain the privileged position of a patent **more ingenuity must be involved than the work of a mechanic skilled in the art \* \* \*** That is to say the new device, however useful it may be, must reveal the flash of creative genius not merely the skill of the calling. If it fails, it has not established its right to a private grant on the public domain.’

“We think that what Palmer did here was not invention, but a mere exercise of the skill of the calling, and an advance plainly indicated by the prior art.”

A particularly high standard of inventive ingenuity must be clearly established in the case of combination patents, as stated by the Supreme Court in *Great A. & P. Tea Co. v. Supermarket Equipment Corp.*, 70 S. Ct. 127, referred to heretofore. The admissions and prior art patents convincingly show that no inventive ingenuity was required to rehash these old, well-known elements and adapt them to modern conditions. Whether a spectator walks into his seat in a theater, skates into the aisle, or rides in on an automobile is not an inventive difference.

It is submitted that the findings made by the Court are correct. The District Court correctly applied the rules of law hereinabove referred to and properly concluded that

1. There was no invention in the alleged combination.
2. The patent was anticipated by and did not inventively distinguish from the prior art.
3. The claims were invalid.

### **The Claims Are Invalid Because They Attempt to Cover a Result or Function.**

Item 4 of the memorandum decision [R 129], Finding of Fact 9 [R 137], Conclusion of Law 7 [R 139], and Item 7 of the judgment [R 142] relate to the functionality of the claims. The great weight of authority requires that claims be held invalid when the claims do not define a structure except in terms of result or function.

Plaintiff does not point to any error in Finding 9, which correctly states

“\* \* \* the words ‘such as will produce a clear angle of vision’ (claims 2, 4, 5 and 6) and ‘to produce a generally clear angle of vision’ (claim 10), and ‘to an extent as will produce \* \* \*’ (claims 16 and 19) are functional statements of a desired objective but do not state by what means and how such objective is to be attained.” [R 137-138.]

All of these phrases relate to the “means” for tilting the cars. For example, claim 10 states:

“\* \* \* and means for longitudinally tilting the automobiles in said stallways in order to produce a generally clear angle of vision from the seat of the automobiles \* \* \*.”

The claim does not state where the means are located; it does not state what the means are; it does not state whether all of the means act simultaneously or individually and separately; it does not state in what direction the tilt is to be made; it does not define a cooperative relation between the "means" and the car or between the means and the screen. It simply defines a "means" by its ultimate result. It is equivalent to the description given in claim 3 of expired patent No. 836,708 [R 226] which called for "means \* \* \* to tip the car to thereby raise and lower the open end of the car that the occupants thereof may see the different views thrown on the screen."

"As we read all these claims they are merely a description in the most general terms of the machine patentees had in mind. If they achieved patentable invention, as the jury and trial court believed, they have failed to describe it with the precision required by Sec. 33, 35 U. S. C. A., as interpreted by the *Halliburton* case, *supra*."

*Refrigeration Patents Corporation v. Stewart-Warner Corporation* (C. A. 7), 159 F. 2d 972, cert. den. 331 U. S. 834, 67 S. Ct. 1515.

To the same effect:

*Rice v. Nash-Kelvinator Corp.* (C. A. 6), 150 F. 2d 457.

The instant case comes squarely within the rule stated by the Supreme Court in *Halliburton Oil Well Cementing Co. v. Walker*, 329 U. S. 1, 67 S. Ct. 6, wherein it was said:

"\* \* \* The language of the claim thus describes this most crucial element in the 'new' combination

in terms of what it will do rather than in terms of its own physical characteristics or its arrangement in the new combination apparatus. We have held that a claim with such a description of a product is **invalid** as a violation of Rev. Stat. 4888. *Holland Furniture Co. v. Perkins Glue Co.*, 277 U. S. 245, 256-257; *General Electric Co. v. Wabash Electric Co.*, *supra*. We understand that the circuit court of appeals held that the same rigid standard of description required for product claims is not required for a combination patent embodying old elements only. We have a different view.”

---

“The Court of Appeals for the Ninth Circuit relied on the fact that the description in the claims is not ‘wholly’ functional. 80 F. 2d 958, 963. But the vice of a functional claim exists not only when a claim is ‘wholly’ functional, if that is ever true, but also when the inventor is painstaking when he recites what has already been seen, and then uses conveniently functional language at the exact point of novelty.”

*General Electric Co. v. Wabash Co.*, 304 U. S. 364, 371.

“So read, the claims are but inaccurate suggestions of the functions of the product, and fall afoul of the rule that a patentee may not broaden his claims by describing the product in terms of function. *Holland Furniture Co. v. Perkins Glue Co.*, 277 U. S. 245, 256-258; *General Electric Co. v. Wabash Corp.*, *supra*, at 371-372.”

*United Carbon Co. v. Binney Co.*, 317 U. S. 228, 234.

Since the days of *O'Reilly v. Morse*, 15 How. 62 (56 U. S. 62) claims to a result, function or effect have been held invalid:

“\* \* \* That is to say—he claims a patent, **for an effect** produced by the use of electromagnetism distinct from the process or machinery necessary to produce it. The words of the acts of Congress above quoted show that no patent can lawfully issue upon such a claim. For he claims what he has not described in the manner required by law. And a patent for such a claim is as strongly forbidden by the act of Congress, as if some other person had invented it before him.”

It is submitted that the District Court properly applied the law to the uncontroverted facts and correctly found that the claims were invalid in that functional language has been used, rendering the claims unduly broad, ambiguous, and in violation of the provisions of 35 U. S. C. A. 33, R. S. 4888.

### **The Claims of the Hollingshead Patent Are Invalid Because They Are Indefinite.**

In the memorandum decision [R 129] the District Court held

“(3) Patent in suit is invalid for the reason it fails to define and claim invention in such full, clear, concise and exact terms as are required by 35 U. S. C. A. Sec. 33 (Rev. Statutes 4888).”

Findings of Fact 7 and 8 [R 136 and 137], Conclusion of Law 6 [R 139] and Item 6 of the summary judgment [R 141] relate to this aspect of the case. Plaintiff does

not like these findings and conclusions, but fails to point out wherein they are in error.

No one questions the essential importance of the many variables enumerated in Finding of Fact 8. For example, assuming that an automobile is on a “backwardly inclined” slope having an angle of  $20^{\circ}$ , will the occupants see a “stage” whose floor is on a level with the front wheel of the automobile? How far from the automobile should such stage be placed? **ACTUALLY, THE OCCUPANTS WOULD NOT SEE THE STAGE UNLESS IT WERE AT A MATERIALLY HIGHER ELEVATION THAN THE SEAT IN THE CAR. BUT THIS IS NOT STATED IN THE CLAIMS NOR IN THE SPECIFICATION.** The failure to specify the “height of the bottom of the screen above a horizontal plane passing through the seat upon which the spectator rests” (Finding 8) is enough to justify the holding of invalidity for indefiniteness. **Obviously the claims cover inoperative structures.**

After this patent expired in May of 1950 and the patent went into public domain, **the public could not tell, from reading the patent, how to build a drive-in theater and where to place the stage.** The public has to use its own judgment and apply the knowledge of the prior art in order to build an open-air theater. This conclusively proves that the patent is void; it presents a problem and not a solution.

“\* \* \* The third section requires, as preliminary to a patent, a correct specification and description of the thing discovered. This is necessary in order to give the public, after the privilege shall expire, the advantage for which the privilege is allowed, and is the foundation of the power to issue the patent.”

*Grant v. Raymond*, 31 U. S. 218 at 247.

“\* \* \* The claim is a statutory requirement, prescribed for the very purpose of making the patentee define precisely what his invention is; and it is unjust to the public, as well as an evasion of the law, to construe it in a manner different from the plain import of its terms.”

*White v. Dunbar*, 119 U. S. 47, 52.

“\* \* \* The statute requires the patentee not only to explain the principle of his apparatus and to describe it in such terms that any person skilled in the art to which it appertains may construct and use it after the expiration of the patent, but also to inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not.”

*Permutit Co. v. Graver Corp.*, 284 U. S. 52, 60.

“As to both these patents we are further of opinion that **no sufficient disclosure** of methods is made to enable anyone to make useful electrical logs solely by their teaching and the knowledge of one skilled in electricity and well drilling. \* \* \* If the patents had expired the day this suit was filed, and nothing was known except what the patents disclose, neither appellant nor anyone else could have made useful electrical logs without much experimentation.”

*Halliburton Oil Well Cementing Company v. Schlumberger Well Surveying Corporation*, 130 F. 2d 589 (C. A. 5), cert. denied 318 U. S. 758.

Stallways (“areas adapted to receive automobiles”) at a vertical angle with respect to the stage, as stated in the



claims, is indefinite, because **neither the direction nor magnitude of the angle is specified.** An automobile on a perfectly flat surface would give its occupants a clear view of a stage only when the stage was at a suitable elevation. This again emphasizes the fact that the claims do not show how the desired objective is to be attained. The phrase “means for longitudinally tilting the automobiles in said stallways in order to produce a generally clear angle of vision from the seat of the automobile” (claim 10) is indefinite since it **does not state what means or where** such means are located or the direction, or degree of inclination, of such means. Such claims are indefinite and invalid for the reasons stated by the Supreme Court in *Halliburton Oil Well Cementing Co. v. Walker*, 329 U. S. 1, 67 S. Ct. 6, where claims were held invalid because they “\* \* \* fail adequately to describe the alleged invention.” In the *Halliburton* case, the Court quoted with approval from *Gill v. Wells*, 22 Wall. 1, as follows:

“Where the ingredients are all old the invention \* \* \* consists entirely in the combination, and the requirement of the Patent Act that the invention shall be fully and exactly described applies with as much force to such an invention as to any other class, because if not fulfilled all three of the great ends intended to be accomplished by that requirement would be defeated. \* \* \* (1.) That the Government may know what they have granted and what will become public property when the term of the monopoly expires. (2.) That licensed persons desiring to practice the invention may know, during the term, how to make, construct, and use the invention. (3.) That other inventors may know what part of the field of invention is unoccupied.”

If not invalid for the reasons stated above, the claims are invalid for anticipation, since prior expired patents have shown and claimed means to tip a car and “to thereby raise and lower the open end of the car that the occupants thereof may see the different views thrown on the screen.” [Exhibit B-9.]

The only statement made in the patents as to dimension is

“The stall-ways are made approximately 15 or 16 feet wide while the driveways are made approximately thirty-five feet wide.” [P. 2, lines 45-48.]

None of the factors listed in Finding of Fact 8 are identified in feet, inches, yards, meters, degrees or any other unit of measurement. The Taylor affidavit [R 75] purports to be an answer to defendants’ request for admission 15, and although argumentative, admits that “\* \* \* no dimensions are written into patent No. 1,909,537 in the form of feet, inches, yards or meters \* \* \*.” [R. 76.] Taylor states the public can get suitable proportions by laying out the entire plan on paper or on the ground and experimenting therewith until a workable arrangement is found. That is an admission that the claims are indefinite and invalid. **The claims present a problem, not a solution to a problem.**

“\* \* \* Where the functional description stands at the very point of novelty, and especially where it merely states a problem for solution rather than teaching the method of its solution, it is not allowable.”

*In re Hooker*, 175 F. 2d 558 (C. C. P. A.).

In describing the construction purportedly covered by the Hollingshead patent, plaintiff finds it necessary to continually refer to “*depressed*” driveways and “*backwardly inclined*” ramps, with the front of the ramp higher than the rear thereof. (See Plaintiff’s Br. pp. 2, 51, 53, 54, 58, 66, 72, etc.) This is an admission that the claims of the patent inadequately define the construction because the claims do not refer to “depressed” driveways or to “backwardly inclined” ramps. Since these elements are apparently essential (put in italics by plaintiff) and are not in the claims, the claims are indefinite, and the District Court correctly held them invalid.

Plaintiff’s continued reference to these elements is also an admission that claims could have been drafted to describe the construction. It is not impossible to define the construction as implied by plaintiff; but Hollingshead did not define it in his claims, and as this Court has repeatedly stated, a patentee is limited to his claims.

It is submitted that plaintiff, by continued reference to depressed driveways and backwardly inclined ramps (elements not defined in the claims) has justified Finding 7 and Conclusion 6.

It is submitted that the District Court correctly applied the law and held the claims invalid.

“\* \* \* The trial judge found a lack of invention as well as indefiniteness, and we are of the opinion that there was such a lack and that the claims were properly held to be invalid.”

*Shick Service, Inc. v. Jones*, 173 F. 2d 969 (C. A. 9).

“\* \* \* The statute, 35 U. S. C. A. §33, requires the applicant for a patent to describe his discovery and ‘the manner and process of \* \* \* using it in such full, clear, concise and exact terms as to enable any person skilled in the art \* \* \* to use the same \* \* \* and he shall particularly point out and distinctly claim the part, improvement or combination which he claims as his invention or discovery.’

“If this is not done the patent, though issued, is void. *Grant v. Raymond*, 6 Pet. 218; *Incandescent Lamp Patent*, 159 U. S. 465; *Permutit Co. v. Graver Corporation*, 284 U. S. 52.”

*Halliburton Oil Well Cementing Co. v. Schlumberger Well Surveying Corp.*, 130 F. 2d 589 (C. A. 5), cert. den. 318 U. S. 758.

“\* \* \* Since the thinness of the metal rim is essential and is not definitely limited either in the claims or in the specification, one skilled in the art would be compelled to experiment in order to determine the proper thickness of the part. But this is strong evidence that the requirements of Section 4888, R. S., have not been followed. *Cf. Libby-Owens Glass Co. v. Celanese Corp.*, 135 F. 2d 138.

“\* \* \* Since these important elements of the claims have not been specifically defined, we conclude that the District Court correctly held that proper disclosure has not been made under the statute.”

*Timken-Detroit Axle Co. v. Cleveland Steel Products Corp.*, 148 F. 2d 267 (C. A. 6).

## Claims Invalid for Indefiniteness and Functionality Are Not Saved by Specifications.

In the instant case, as pointed out previously, the specification does not give even a single example which would permit the structure to be built without experimentation. Recourse to the specification is of no avail.

“Respondent urges that the claims must be read in the light of the patent specification, and that as so read they are sufficiently definite. Assuming the propriety of this method of construction, cf. *General Electric Co. v. Wabash Corp.*, *supra*, at 373-375, it does not have the effect claimed, for the description in the specification is itself almost entirely in terms of function.”

*United Carbon Co. v. Binney Co.*, 317 U. S. 228  
at 234.

“\*\*\*The claims in suit seek to monopolize the product however created, and may not be reworded, in an effort to establish their validity, to cover only the products of the process described in the specification, or its equivalent.”

*General Electric Co. v. Wabash Co.*, 304 U. S. 364  
at 374.

## By Reason of Indefiniteness and Undue Breadth, the Patent Is Invalid on Its Face.

Whenever, from an examination of a patent, it appears that the claims are indefinite, or attempt to cover an effect, result or function and do not define an invention with the particularity required by statute (35 U. S. C. A. §33) the Court can hold the patent invalid.

“\* \* \* The claim is invalid on its face. It fails to make a disclosure sufficiently definite to satisfy

the requirements of R. S. §4888, 35 U. S. C. §33.  
\* \* \*” (page 368).

“\* \* \* Patents, whether basic or for improvements, must comply accurately and precisely with the statutory requirements as to claims of invention or discovery. The limits of a patent must be known for the protection of the patentee, the encouragement of the inventive genius of others and the assurance that the subject of the patent will be dedicated ultimately to the public. The statute seeks to guard against unreasonable advantages to the patentee and disadvantages to others arising from uncertainty as to their rights. \* \* \*” (page 369).

“The claim further states that the grains must be ‘of such size and contour as to prevent substantial sagging and offsetting’ during a commercially useful life for the lamp. The clause is inadequate as a description of the structural characteristics of the grains. \* \* \*”

“\* \* \* Claim 25 vividly illustrates the vice of a description in terms of function. \* \* \*”

*General Electric Co. v. Wabash Co.*, 304 U. S. 364  
at pages indicated.

This is not a new doctrine; it has been applied for seventy-five years, whenever the Court was convinced that the patent claimed more than was invented, as here.

“Examined by the light of these considerations, we think this patent was void on its face, and that the court might have stopped short at that instrument, and without looking beyond it into the answers and testimony, *sua sponte*, if the objection were not taken by counsel, well have adjudged in favor of the defendant.”

*Brown et al. v. Piper*, 91 U. S. 37 at 44.

Also:

*Terhone v. Phillips*, 99 U. S. 592;

*Lange v. McGuin*, 177 Fed. 219;

*Damrow Bros. v. Stoelting Bros.*, 295 Fed. 492  
(C. C. A. 7);

*DeVry Corp. v. Acme Motion Picture Co.*, 262  
Fed. 970.

Since a patent can be held invalid on facts coming within judicial notice of a court (*Brown v. Piper, supra.*) the District Court had authority to hold the patent invalid because of lack of invention as shown by the prior patents and publications and admissions of record, and on the rules of law pertaining to necessity of clear and unambiguous definition in the claims.

### **Purported Commercial Success Cannot Overcome Lack of Invention or Failure to Properly Conform to Statutory Requirements.**

Although plaintiff claims commercial success, there is little (if any) actual evidence thereof and no proof that open air theaters built were actually in accordance with with the patent disclosures.

As repeatedly stated by this Court, commercial success cannot overcome lack of invention.

“Nor is the fact that there is widespread use of the elements of the patented device as combined therein conclusive of its patentable novelty—it may be merely evidence of utility. Jones’ argument of use and commercial success is of no avail.”

*Schick Service Inc. v. Jones*, 173 F. 2d 969  
(C. A. 9).

“Lack of novelty and lack of invention being clearly shown, no significance attaches to the fact, if it be a fact, that utility resulted and commercial success followed from what Grayson did.”

*Grayson Heat Control Ltd. v. Los Angeles Heat Appliance Co., Inc.*, 134 F. 2d 478, 481 (C. A. 9).

The fact remains that the erection of theaters and places of amusement is an old art. The elements used are old. The results obtained are the same in character as those obtained by the prior patentees. There is no actual invention in adapting the old teachings to a similar purpose.

### **The Trial Court Properly Awarded Defendants Taxable Costs and Attorneys' Fees.**

Pursuant to 35 U. S. C. A. 70, the District Court awarded a portion only of the attorneys' fees actually incurred by defendants. The award of attorneys' fees is discretionary with the Trial Court. Senate Report No. 1502, June 14, 1946, adopted from a report of the House Committee on Patents, in discussing this provision stated:

“The provision is also made general so as to enable the court to prevent a gross injustice to an alleged infringer.”

Long prior to the amendment of 35 U. S. C. A. 70 the courts have awarded attorneys' fees and costs in addition to the normal costs taxable as a matter of course, whenever it appeared that a party made unfounded representations, unnecessarily prolonged trial, took depositions unnecessarily, or otherwise placed an oppressive burden upon the opponent.



In the instant case we have a patent holding corporation which, by strong-arm methods and extensive litigation\* has exacted royalties from many owners and operators (and the public) under an invalid patent. Plaintiff admitted that it could not identify the theaters allegedly built, operated and sold by defendants in purported infringement of the Hollingshead patent (as charged in the complaint). When asked to identify them by interrogatories, plaintiff **could not do so**, stating:

“locations of which are presently unknown”

and

“plaintiff is presently without knowledge” [Interrogatories 1-10; R 9-12 and Answers R 14-18].

Although the complaint referred to two theaters in paragraph 10, plaintiff was “without knowledge” as to which one of the defendants built, sold, or used such theaters [Interrogatories 11 and 12; R 12 and Answers R 19].

This clearly shows that the **complaint was not brought in good faith**; it was not based on facts. Plaintiff was using the Court as a tool with which to harass defendants and force them to pay a needless royalty.

Plaintiff did not file answers or objections to defendants’ request for admissions [R 38-48] within the time prescribed by the Rules of Federal Procedure. These requests stood admitted for two weeks before plaintiff filed a belated motion for extension of time [R 60-61] and the late answers to most of the requests asked were argumentative and evasive [R 49-53].

---

\*Note: Shepard’s Citator lists about 30 citations of suits filed and settled by dismissals and consent decrees.

Plaintiff did not file documents in reply to defendants motion for summary judgment within the time set by the Court's Order [R 88] and instead again applied for an extension of time a week after time had expired.

The Taylor affidavit filed by plaintiff [R 106-114] misrepresents that the Encyclopedia Britannica, 14th Ed. [Deft. Ex. A-1 to A-4] was published in 1945 whereas actually it was published in 1929. Plaintiff persists in this misrepresentation as to date of publication even in its brief.

The Boyle affidavit filed by plaintiff [R 115-128] does not relate to facts but instead expresses opinions and conclusions and matters upon information and belief (fourteen instances of statements "on information and belief"). This certainly justifies Finding of Fact 10, since the affidavits are not personal knowledge, as required by Rule 56E, Federal Rules of Civil Procedure.

Plaintiff has continued to make unjustifiable charges and unfounded assertions which place an excessive burden on defendants. This is exemplified by the silly contention that the findings adopted by the District Court do not have legal effect because prepared by counsel, and the false statement that the District Court did not have the patent in suit before it. It is emphasized by plaintiff's disregard of its stipulation that the issue of invalidity be determined by the District Court on the records and papers in this case:

The District Court properly found

"11. The pleadings, interrogatories, answers thereto, requests for admissions and admissions thereto,

and the objections, motions for extensions of time and other papers on file herein indicate that the action was brought upon surmise and suspicion and plaintiff repeatedly delayed proceedings.” [R 138].

Defendants had asked for attorneys’ fees in their answer [R 37]; affidavits of defendants counsel for services rendered in this case in the total sum of \$3,491.95 were filed January 31, 1950 [R 104-105]. Plaintiff had an opportunity to object thereto from January 31, 1950 to March 27, 1950 but did not do so. The Court awarded \$3,400 in attorneys’ fees [R 129].

It is evident that the Trial Court, having carefully studied the pleadings, requests for admissions, the evasive answers thereto, the answers to the interrogatories which show that the action was based on surmise and not on facts, the many delays, the unfounded representations made, etc., and the expenses incurred by defendants, exercised the Court’s discretion and awarded attorneys’ fees in a sum less than that actually incurred. This was not an abuse of discretion.

“We think it is clear that under the statute the question is one of discretion. The Court exercised its discretion and that ends the matter, unless we can say, as a matter of law, that there was a clear abuse of discretion. This we cannot say.”

*Blanc v. Spartan Tool Co.*, 168 F. 2d 296  
(C. A. 7).

It is submitted that the findings justify the award and adequately state a basis therefor.

### Summary and Conclusion.

In order to save this Court's time, defendants-appellees have presented the matter concisely. Controlling points, requiring affirmance of the judgment of the District Court, have been presented. These points cannot be obscured by the smoke screen of sophistry and misrepresentations which characterizes plaintiff's brief.

The record establishes:

1. That the District Court was empowered, by stipulation of plaintiff, to decide the issue of invalidity upon motion for summary judgment.
2. That both parties were given opportunity to present prior art and affidavits as to facts and cannot question the District Court's authority to render the judgment of invalidity.
3. That the only questions before this Court are whether there is evidence in favor of the necessary findings and whether there was error in the application of the law.
4. That the patent in suit is for a combination of old elements, each acting in its normal and expected manner.
5. That the findings of fact are not in error; the prior art and admissions firmly support the findings.
6. That inventive ingenuity was **not** exercised, in view of the prior art.
7. That if invention is claimed in the direction or degree of inclination of the stallways, then "functional language has been used at the exact point of novelty" and the patent is void.

8. That the District Court properly applied the law and found the claims of the patent in suit invalid for lack of invention, for functionality and for indefiniteness.
9. That the record in this case shows that the action was brought on surmise and suspicion and not in good faith, that plaintiff has employed dilatory and harassing tactics, that plaintiff has made misrepresentations and has attempted to repudiate its stipulations and, in view thereof, the District Court did not abuse its discretion in awarding costs and reasonable attorneys' fees.

Dated at Los Angeles, California, this 11th day of January, 1951.

Respectfully submitted,

C. A. MIKETTA,

*Attorney for Defendants-Appellees.*

JOHNSON & LADENBERGER,

ROBERT GIBSON JOHNSON,

DON A. LADENBERGER,

*Of Counsel for Defendants-Appellees.*



No. 12627

---

---

In the  
**United States Court of Appeals**  
For the Ninth Circuit

---

**Park-In Theatres, Inc.**  
plaintiff-appellant  
vs.

Seth D. Perkins, George E. Mitzel, La Vere Co. (a  
corporation) and Drive-In Theatres of America (a  
corporation)

defendant-appellees

---

Appeal from the  
United States District Court  
for the Southern District of California  
Central Division

---

**Appellant's Reply Brief**

---

FILED

MAY 5 1951

PAUL P. O'BRIEN  
CLERK

REGINALD E. CAUGHEY,  
LYON & LYON,  
811 W. 7th Street  
Los Angeles (14), Cal.

LEONARD L. KALISH,  
Land Title Building  
Philadelphia (10), Pa.

*Attorneys for Appellant*

---

---

## Index of Subject Matter

	pages
Appellees and District Court misconstrued legal effect of having both parties move for Summary Judgment.....	1
<i>Gt. A. &amp; P. vs. Supermarket</i> decision not controlling nor applicable in view of the different state of the pleadings and different margin-of-difference over the prior-art, in the case at bar.....	5
Appellees' arguments based on their contention that prior-art relied on by them was not "cited" in Hollingshead file-wrapper, without merit...	8
Was patent-in-suit before District Court?.....	10
Appellees tender non-issue in respect to District Court's Findings of Fact	11
Rule 52-a contemplates Findings of Fact only in actions in which there has been a trial, and not in actions determined on motions and affidavits	11
and	
If Findings of Fact are deemed necessary in disposing of case on Motion for Summary Judgment, such necessity shows that there were genuine issues of fact which should not have been decided on the Motion.....	11
Appellees' contentions on award of attorneys' fees, without support in the record .....	13
Appellees' strategy in avoiding the issue of infringement.....	14
Conclusion .....	16
Appendix C .....	1c

## Table of Cases

<i>Adler vs. Wagner</i> , 112 F.2d 264, 267 (CCA-7).....	9
<i>Associated Discount Corp. vs. Crown</i> , 110 F.2d 127-8 (App. D.C.).....	2
<i>Begnaud vs. White</i> , 170 F.2d 323, 327 (CA-6).....	2
<i>Bowers vs. E. J. Rose Mfg. Co.</i> , 149 F.2d 612, 615, 616 (CCA-9).....	12
<i>Bradley vs. Eccles</i> , 138 Fed. 916, 918 (CC ND NY).....	9
<i>Burnham Chemical Co. vs. Borax Consolidated</i> , 170 F.2d 569, 575 (CCA-9)	12
<i>Chappell vs. Goltsman</i> , F.2d , CA-5 (88 USPQ 1, 3).....	4
<i>Colby vs. Klune et al</i> , 178 F.2d 872-3 (CA-2).....	3
<i>Detroit Motor Appliance Co. vs. Burke</i> , 4 F.2d 118, 122 (DC Minn).....	10
<i>Equitable vs. Irelan</i> , 123 F.2d 462, 464 (CCA-9).....	13
<i>Garrett Biblical Institute vs. American University</i> , 163 F.2d 265, 266 (CA D.C.) .....	2
<i>Great Atlantic &amp; Pacific Tea Co. vs. Supermarket Equipment Corp.</i> U.S. (95 L.Ed 118 and 87 USPQ 303).....	5, 6, 7
<i>Ingersoll-Rand vs. Black &amp; Decker</i> , F.Supp. , DC Md (88 USPQ 150) .....	6
<i>Pacific Portland Cement vs. Food Machinery Chemical Corp.</i> , 178 F.2d 541, 548 (CA-8).....	13
<i>Salt's Textile Mfg. Co. vs. Tingué Mfg. Co.</i> , 227 Fed. 115, 118 (DC Conn)	9
<i>Simpson Bros. vs. District of Columbia</i> , 179 F.2d 430, 434 (CA D.C.)....	12
<i>Steinberg vs. Adams</i> , 90 F.Supp. 604, 608 (DC SD NY).....	1
<i>Thomas vs. Peyser</i> , 118 F.2d 369, 374 (CA D.C.).....	12
<i>United States vs. Brown</i> , 107 F.2d 401 (CCA-4).....	4
<i>Vandevander vs. United States</i> , 172 F.2d 100 (CA-5).....	4
<i>Vilter Mfg. Co. vs. Rolaff</i> , 110 F.2d 491 (CCA-8).....	4

## Statutes and Rules

Rule 50-a of the Federal Rules of Civil Procedure.....	4
--	---



# Appellant's Reply Brief

## Appellees and District Court misconstrued legal effect of having both parties move for Summary Judgment

In their Brief (pages 1-2 & 14-18) appellees contend (and the District Court seemingly likewise took the view) that plaintiff, having moved for summary judgment in its favor, expressly or impliedly conceded that there were no genuine issues of fact involved *on defendants'* motion for summary judgment (notwithstanding plaintiff's affidavits and exhibits, contraverting defendants' affidavits).

Thus, on pages 1 and 15 of their Brief, appellees say "Plaintiff joined with defendants in a motion for summary judgment . . .",

and on page 15 of their Brief, appellees further say:

"By joining with defendants in submitting the issue of invalidity for determination by the Court on a motion for summary judgment under Rule 56, plaintiff admitted that there was no genuine issue as to any material facts and that the invalidity of the patent was simply a question of law."

Assuming, *arguendo*, that plaintiff did make a motion for summary judgment, as appellees contend in their Brief\*, appellees (and seemingly also the District Court) have misconstrued the legal effect of having both parties move for summary judgment.

Thus it is well settled that even when both parties move for summary judgment, *neither* party is deemed to have admitted (much less contended) that there is no genuine issue of fact raised by the other party's motion and upon the theory of law upon which such other party's motion is predicated.

The common error into which appellees (and the District Court) fell, on this point, is highlighted, *inter alia*, by the case of *Steinberg vs. Adams*, 90 F. Supp. 604, 608

---

\* and no such motion appears in the *record on appeal*

(DC SD NY), wherein both parties moved for summary judgment and both filed affidavits, and wherein the Court recognized that if the same evidence were produced at a trial (as was contained in the affidavits) it would enable the trial-judge (upon a trial) to decide the case according to where the "burden of proof" lies, and yet the motion-judge (unlike the trial-judge) had to follow a different criterion from that available to the trial-judge and was restrained from entering summary judgment for either party, in the presence of conflicting affidavits;—the Court in that case saying:

"A trial judge will not be hampered by these restraints. He has a working tool not available to the motion judge. He employs the 'burden of proof' to decide issues. Whoever has the burden of proof will lose if he fails to sustain it. Here, however, if I should decide that plaintiffs have not sustained the burden of proof, it does not follow that defendants can get summary judgment. They can not get summary judgment, as distinguished from judgment after trial, unless they meet the 'slightest doubt' test. That they have not accomplished."

"*This, I hope, will help lay the ghost of an assumption which seems to be common at the bar*†, that once both parties move for summary judgment the court is bound to grant it to one side or the other. The law is otherwise. *Associates Discount Corporation v. Crow*, 1940, 71 App.D.C. 336, 110 F.2d 126; cf. *Steiner v. U. S.*, D.C. 1941, 36 F.Supp. 496."

To same effect are the decisions in *Begnaud vs. White*, 170 F.2d 323, 327 (CA-6), and in *Associates Discount Corp. vs. Crow*, 110 F.2d 127-8 (App. D.C.).

In *Garrett Biblical Institute v. American University*, 163 F.2d 265, 266 (CA D.C.) the Court held:

"The conflict arising during the course of oral argument as to whether appellant's motion for summary

---

† all emphasis and interpolative parenthetical statements, in quotations, supplied by appellant

judgment was restricted to its counterclaim or whether it applied to all of the pleadings is of no moment, since even assuming that both motions were directed toward the same complaint and responsive pleadings, 'It does not follow that, merely because each side moves for a summary judgment there is no issue of material fact. For, although a defendant may, on his own motion, assert that, accepting his legal theory, the facts are undisputed, he may be able and should always be allowed to show that, if plaintiff's legal theory be adopted, a genuine dispute as to a material fact exists.' *Walling v. Richmond Screw Anchor Co.*, 2 Cir. 154 F.2d 780, 784, certiorari denied 328 U.S. 870, 66 S.Ct. 1383, 90 L.Ed. 1640, followed by this Court in *Krug v. Santa Fe Pacific R.R. Co.*, 81 U.S. App. D.C. 288, 158 F.2d 317."

“As appears below, the complaint and answer to the complaint raised an issue of fact.”

In reversing the District Court's summary judgment in *Colby vs. Klune et al*, 178 F.2d 872-3, (CA-2) the Court stated the matter as follows:

“We have in this case one more regrettable instance of an effort to save time by an **improper** reversion to ‘**trial by affidavit**’, improper because there is involved an issue of fact, turning on credibility.<sup>1</sup> Trial on oral testimony, with the opportunity to examine and cross-examine witnesses in open court, has often been acclaimed as one of the persistent, distinctive and most valuable features of the common-law system.<sup>2</sup> For only in such a trial can the trier of the facts (trial judge or jury) observe the witnesses' demeanor; and that demeanor—absent, of course, when trial is by affidavit or deposition—is recognized as an important clue to witnesses' credibility. When, then, as here, the ascertainment (as near as may be) of the facts of a case turns on credibility, a triable issue of fact exists,

---

<sup>1</sup> citing authorities

<sup>2</sup> citing authorities

and the granting of a summary judgment is error. **It did not cure the error that each side moved for such a judgment in its favor.<sup>3</sup>**”

“We hear much of crowded trial dockets as the cause of deplorable delays in the administration of justice. The way to eliminate that congestion is by the appointment of a sufficient number of judges, not by doing injustice through depriving litigants of a fair method of trial”

The cases cited on pages 16-18 of appellees’ Brief, to the effect that where all parties move for a directed verdict at the close of all the evidence upon a trial, they thereby withdraw the case from the jury and submit the case for determination by the Court, as a pure question of law, are wholly inapplicable both (1) because they relate to motions for directed verdict at the conclusion of a trial, and not to practice on motions for summary judgments, and also (2) because these cases have been superseded by Rule 50-a of the *Federal Rules of Civil Procedure* which expressly provides that there is no waiver of a trial by jury even when all parties move for a directed verdict at the close of all the evidence. This has been so held in the following cases:

*Vandevander vs. United States*, 172 F.2d 100 (CA-5)

*United States vs. Brown*, 107 F.2d 401 (CCA-4)

*Vilter Mfg. Co. vs. Rolaff*, 110 F.2d 491 (CCA-8)

The principle that summary judgment may not be granted where the facts relied on by movant must be established by movant’s affidavits (particularly where they are contraverted), was affirmed again as recently as December 19, 1950, in the case of *Chappell et al vs. Goltsman et al*,                      F.2d                      ; CA-5 (88 USPQ 1, 3):

“But disputed issues of fact cannot be resolved by affidavits, nor may affidavits be treated for purposes

---

<sup>3</sup> *Walling v. Richmond Screw Anchor Co.*, 2 Cir., 154 F.2d 780, 784; *Krug v. Santa Fe R. Co.*, 81 App. D.C. 288; 158 F.2d 317, 319; *Garrett Biblical Institute v. American University*, 82 App. D. C. 263; 163 F.2d 265, 266.

of the motion for summary judgment as proof contrary to well pleaded facts in the complaint. *Farrall v. District of Columbia Athletic Union*, 153 F.2d 647. It is only on the basis of a showing that there is no genuine issue of fact as to the existence of the affirmative defense that the court is authorized to sustain the motion and dismiss the action on that ground. Summary judgment is authorized 'only where the moving party is entitled to a judgment as a matter of law, where it is quite clear what the truth is, that no genuine issue remains for trial, and that the purpose of the rule is not to cut litigants off from their right of trial by jury if they really have issues to try.' *Sartor v. Arkansas Gas Corp.*, 321 U.S. 620, 627. It is no part of the court's duty to decide factual issues but only to determine whether there are any such issues to be tried. *Hawkins v. Frick-Reid Supply Corporation*, 5 Cir., 154 F.2d 88; *Lane Bryant Inc. v. Maternity Lane*, 9 Cir., 173 F.2d 559 (81 USPQ 1); *Butcher v. United Electric Coal Co.*, 7 Cir., 174 F.2d 1003."

**A & P vs. Supermarket decision not controlling nor applicable in view of the different state of the pleadings and different margin-of-difference over the prior-art, in the case at bar**

On pages 7-9, 16 & 34 of their Brief, appellees rely upon the recent decision of the Supreme Court in the case of *Great Atlantic & Pacific Tea Co. vs. Supermarket Corp.*, U.S. (95 L.Ed 118, and 87 USPQ 303) and place special reliance upon the *minority* opinion in that case which was not adopted or concurred in by the majority of the Court and hence does not represent the decision of that Court.

However, only by an examination of the Turnham patent there in suit *together with* at least the prior-art patents which were before the Court in that case, can any *standard* or *yardstick* of invention be derived from this recent decision.

An examination of the Turnham patent and the prior-art patents of record in that case will show that whatever may have been said in regard to the Turnham patent, is not applicable to the Hollingshead patent here in suit, because the margin-of-difference between the Turnham patent and its "prior-art" was manifestly much less than the margin-of-difference between the Hollingshead patent here in suit and the "prior-art" relied upon by appellees at bar.

In its more recent (Jan. 3, 1951) decision in the case of *Ingersoll-Rand Co. et al v. Black & Decker Mfg. Co.*, F.Supp. ; DC Md (88 USPQ 150, 153), the Court (Chestnut J.) cogently pointed out that the Supreme Court's recent decision in the *Gt. A. & P. Co. vs. Supermarket case, supra*, provides no yardstick or standard of invention, and that each case must yet be decided upon its own facts:

"Despite the helpful guidance of this very recent opinion there is still no precise legal yardstick to measure the requisite standard of invention, other than the considered judgment of the trial or appellate judges which, as was long ago pointed out by Judge Learned Hand in the Second Circuit, is necessarily to a large extent, by reason of the subject matter, affected by the subjective point of view of the judge. Each case must, therefore, unless and until there is more precise congressional direction, remain to be decided on its particular facts."

Moreover, in the *A & P vs. Supermarket* case there had been a trial at which witnesses were heard on the question of invention and on all the fact-questions underlying the question of invention, whereas in the case at bar not only has there been no oral testimony offered by appellees to impune the validity of the Hollingshead patent in suit\* but, indeed, even defendants' sole moving affidavit

---

\*and plaintiff was likewise not given an opportunity to support the legal presumption of *inventiveness* of the drive-in theatre of the patent-in-suit, by the testimony of witnesses

attacking the validity of the patent was merely that of defendant-appellees' chief counsel in the case who, without tendering any statement of qualifications as an expert, and being obviously biased and indeed nothing more than an avowed advocate, merely gave his arguments and conclusions in affidavit form.

Moreover, the Turnham patent in suit in the *A & P vs. Supermarket* case was, at best, merely an improvement patent, whereas the Hollingshead patent here in suit is clearly a *pioneer* patent;—being the first (U.S. or foreign) patent on any drive-in theatre, and the drive-in theatre built by Hollingshead in 1933 under and in accordance with the patent-in-suit was the first drive-in theatre of *any kind* ever built in the United States (or elsewhere) as shown by plaintiff's Boyle Affidavit (R.pp. 115-128) and Taylor Affidavit (R.pp. 106-114), and by plaintiff's Exhibits. For the Court's convenience we have reproduced, in *Appendix C* hereto, some pertinent excerpts from these Exhibits, bearing upon the status of Hollingshead's invention and patent, *as viewed by the industry*.

*Only since* the Hollingshead patent-in-suit, have a number of other patents been issued (to others) on various alleged improvements upon the drive-in theatre of the Hollingshead patent here in suit.

Thus, the Hollingshead patent here in suit established the new art and is the foundation of a new large industry which neither the motion-picture producing industry nor the motion-picture exhibiting industry ever foresaw or suggested (either by their actions, words or otherwise) at any time prior to the Hollingshead patent in suit;—the subject-matter of which patent the entire industry thereafter adopted as a boon to the motion-picture producing and exhibiting industries, and plaintiff-appellants' reply affidavits and exhibits amply attest not only the pioneer character of the patent-in-suit but also its great commercial impact and the great benefits derived therefrom by the motion-picture producers, exhibitors and the public.

The case at bar, on Motion for Summary Judgment, is therefore clearly not controlled or affected by the Supreme Court's recent decision in the *A & P vs. Super-*

*market* case wherein the margin-of-difference of the patent-in-suit and prior-art was manifestly much smaller if not indeed nil, and wherein there had been a *full trial* on the fact-question of invention.

**Appellees' arguments based on their contention that prior-art relied on by them was not "cited" in Hollingshead's "file-wrapper" without merit**

Appellees contend that the prior-art patents and publications relied upon by them in the case at bar were not cited by the Examiner in the file-wrapper of the patent-in-suit, and further impliedly argue that the prior-art at bar is more pertinent than the prior-art which the Examiner cited in the file-wrapper of the Hollingshead patent in suit and that such more pertinent prior-art relied on by them was therefore necessarily overlooked by the Examiner.

However, appellees did not introduce or submit a copy of the file-wrapper and contents of Hollingshead patent-in-suit nor did appellees make any showing as to just what the prior-art was which the Examiner did cite in the file-wrapper of the Hollingshead patent-in-suit, nor did appellees offer or introduce copies of such prior-art as was cited by the Examiner.

Hence, there is no way (on the present record) for the Court to know whether the prior-art now relied upon by appellees was or was not cited by the Examiner in the file-wrapper of the Hollingshead patent-in-suit, nor is it possible for the Court to compare the prior-art of record relied upon by appellees with the prior-art cited by the Examiner, to see which is more pertinent. Nor has appellant had occasion or opportunity to present its evidence and/or arguments on this point.

It follows, as a matter of simple logic, that if the prior-art relied upon by defendants is no more pertinent than the prior-art cited by the Examiner, then the mere fact that defendants chose to rely on prior-art not cited by the Examiner is without any significance, helpful to appellees, and appellees' arguments based upon their contention that their prior-art was not cited by the Examiner,



Moreover, it is well settled that it does not necessarily follow, merely from the fact that certain prior-art patents were not cited by the Patent Office, that they were overlooked in considering the patentability of certain claims, but it is just as reasonable to conclude that they were considered and cast aside as not pertinent.

Thus, in *Adler vs. Wagner* 112 F.2d 264, 267 (CCA-7) the Court held:

“The Bindhammer and Francis patents were cited in the patent office, but not those of Send and Standish. It is argued by Adler that it follows these two patents were overlooked by the patent office and, if the patent office had considered them, a different result would have been reached. We do not think it necessarily follows, however, merely from the fact that they were not cited, that they were overlooked. **It is just as reasonable to conclude that they were considered and cast aside as not pertinent.** *Detroit Motor Appliance Co. v. Burke*, D. C., 4 F.2d 118, 122.”

As pointed out in *Bradley vs. Eccles* 138 Fed. 916, 918 (CC ND NY):

“The defendant has not shown that the prior United States patents now relied on to show anticipation, etc., were not called to the attention of the officials and examiners in the Patent Office. **There is no legal presumption that such examiners were ignorant of their existence.**”

Likewise in *Salt's Textile Mfg. Co. vs. Tingué Mfg. Co.* 227 Fed. 115, 118 (DC Conn) the Court said:

“It is sufficient to say of the prior published art that *the additional British patents and the Posselt publication do not disclose any art substantially different from that under consideration by the Patent Office when the patent was granted.* The Patent Office ruled that these patents did not disclose equivalents of the Steiner patent. The defendant has introduced no expert testimony explaining these patents and publications, and the court is left to the presumption that the patent itself possesses such an amount of

change from the prior art as to entitle it to the presumption which attaches to a patent. (citing authorities)''

As pointed out in *Detroit Motor Appliance Co. vs. Burke* 4 F.2d 118, 122 (DC Minn):

''It is contended that the Patent Office did not have before it the prior art disclosed by the above-mentioned patents, except Brock and Lanchester. It is true that these two patents are the only citations in the file wrapper; but this is far from proving that the other patents were not considered. **The presumption is that the officials of the Patent Office did their duty, and considered the other patents now brought forward as new prior art.** There is no evidence dehors these patents to repudiate this presumption, nor is there anything in the patents themselves which in my judgment should overthrow the presumption.''

#### **Was patent-in-suit before District Court?**

Appellant's Los Angeles attorneys have examined all papers on file in the office of the Clerk of the District Court in connection with the case at bar, and made inquiries with the Clerk of this Court in respect to the original papers which have been sent up, and also examined the Transcripts of all oral arguments, and, as a result, respectfully submit that the patent-in-suit was not before the District Court upon the record as made by the papers filed in the office of the Clerk of the District Court or as made on the oral hearings had in the District Court.

Thus, there was no copy of the patent-in-suit attached to any of the original papers filed in the office of the Clerk of the District Court nor to any of the papers which were sent up by that Clerk to the Clerk of this Court. Nor was any copy of the patent-in-suit attached to any of the carbon copies of any papers served upon plaintiff-appellant.

Likewise, there is no reference, in any paper filed in the District Court, that a copy of the patent-in-suit had been, or was then being, or would thereafter be filed or submitted.

None of the Transcripts of oral arguments show any mention of the submission of a copy of the patent-in-suit, and appellant's attorney who attended all the hearings in the District Court in this case does not recall that a copy of the patent-in-suit was ever handed to the District Court at any hearing attended by him.

The procedure in filing pleadings and other documents with the Clerk of the District Court for the Southern District of California, is to file the original with the Clerk, together with a *conformed* copy. Said copy is marked as the Court's copy, and the Clerk does not furnish the Court with a copy of any pleading or document unless the original thereof has been actually filed with the Clerk.

**Appellees tender non-issue in respect to  
District Court's Findings of Fact**

On pages 19 & 20 of their Brief, appellees try to attribute to appellant a contention in regard to the Findings, which is *not* and never was appellant's contention, namely that the preparation of the Findings by the prevailing party and their submission to and adoption by the District Court, in and of itself lessens their force as Findings of Fact. Appellant has not and does not make any such contention. An examination of appellant's Brief (pages 37 *et seq*) shows that appellant's position was merely that the Court did not compare the prior-art with the patent-in-suit because the patent was not before it.

**Rule 52-a contemplates Findings of Fact only in actions in which there has been a trial, and not in actions determined on motion and affidavits  
and**

**If Findings of Fact are deemed necessary in disposing of case on Motion for Summary Judgment, such necessity shows that there were genuine issues of fact which should not have been decided on the Motion**

Rule 52 provides that:

“(a) In all actions *tried* upon the facts . . . the Court shall find the facts specially and state separately

its conclusions of law thereon . . . Findings of fact and conclusions of law are unnecessary on decisions of motions under Rules 12 or 56 or any other motion except as provided in Rule 41(b).”

Courts have uniformly held that neither Findings nor Conclusions are necessary in disposing of a case by summary judgment under Rule 56:

*Simpson Bros. vs. District of Columbia*, 179 F.2d 430, 434 (CA D.C.)

*Thomas vs. Peyser*, 118 F.2d 369, 374 (CA. D.C.)

*Burnham Chemical Co. vs. Borax Consolidated*, 170 F.2d 569, 575 (CA-9)

The rationale of the above-quoted parts of Rule 52-a is that Findings of Fact (and Conclusions of Law based thereon) are only necessary where, as *upon a trial* without a jury, there are disputed facts, whereas Rule 56 providing for summary judgment expressly provides that summary judgment shall not be entered where there are genuine issues of fact.

Defendant-appellees apparently deemed it important, if not indeed indispensable to their case, that the District Court enter special Findings of Fact, and in this Court appellees rest their case almost entirely upon such Findings of Fact, which Findings, under Rule 52-a, were wholly unnecessary and unwarranted *if* there was no genuine issue of fact as required by Rule 56.

By their insistence (below) upon special Findings of Fact, notwithstanding Rule 52-a, and by their almost exclusive reliance (in this Court) upon such Findings, appellees tacitly admit that there were genuine issues of fact upon their Motion for Summary Judgment, for the resolution of which fact-issues they found it expedient, if not indeed necessary, to invoke the fact-finding office of the District Court, an office *not* applicable to summary judgment proceedings under Rule 56. *Bowers vs. E. J. Rose Mfg. Co.*, 149 F.2d 612, 615, 616 (CCA-9).

Moreover, it was well settled even under old Rules 52 & 56, (namely, prior to the 1948 Amendment which expressly provided that no Findings need be made in disposing of a case by summary judgment), that Findings of Fact can have no special force or persuasive effect, on appeal, where such Findings are not based upon oral testimony of witnesses, because where the fact-findings are not based upon such evidence but merely upon documents and affidavits, the appellate court is in just as good a position to evaluate such paper-evidence as was the District Court.

Indeed, even where a judge, upon a trial,

“decides a fact issue on written evidence alone, we (the Court of Appeals) are as able as he to determine credibility, so we may disregard his findings\*”, *Orvis vs. Higgins*, 180 F.2d 537, 539 (CA-2).

This Court, in *Equitable vs. Irelan*, 123 F.2d 462, 464 (CCA-9), held that even where the evidence *upon trial* is merely by depositions taken before trial,

“This court is in as good a position as the trial court was to appraise the evidence and we have the burden of doing that. Rule 52(a) of the Rules of Civil Procedure, 28 U.S.C.A. following section 723c, was intended to accord with the decisions on the scope of the review in federal equity practice; and, as is well known, in the federal courts where the testimony in equity (citing authorities) or admiralty (citing authority) cases is by deposition the reviewing court gives slight weight to the findings.”

To the same effect is this Court's decision in *Pacific Portland Cement vs. Food Machinery Chemical Corp.*, 178 F.2d 541, 548 (CA-9).

**Appellees' contentions on award of attorneys' fees,  
without support in the record**

The Complaint identified a *specific* drive-in theatre charged to infringe (R.p. 6) and the Answer admits that

one of the defendants built and operated that *specific* drive-in theatre (R.p. 31).

The mere fact that plaintiff was unable to identify all drive-in theatres built and operated by defendants is immaterial. The usual practice is that the Complaint does not identify *any* specific infringing device.

Significantly enough, defendants have not tendered any affidavit or other showing that *each* of them has *not* built and operated at least one drive-in theatre like that of the patent-in-suit, nor have they tendered any affidavit or other showing that the drive-in theatre specifically identified in the Complaint did not fully respond to each of the claims-in-issue of the Hollingshead patent, in suit.

#### **Appellee's strategy in avoiding the issue of infringement**

Nevertheless appellees, on page 47 of their Brief, even go so far as to attack plaintiff's claim of commercial success because of lack of proof that the drive-in theatres built were actually in accordance with the disclosure of the patent-in-suit.

Of course, if the one drive-in theatre specifically identified in the Complaint and admitted in the Answer to have been built and operated by one of the defendants, did not embody the specific structure disclosed and claimed in the patent-in-suit, and if none of the defendants had in fact not built or operated any other drive-in theatre, or if whatever other drive-in theatres defendants had built and operated likewise did not embody the specific construction or structure disclosed and claimed in the patent-in-suit, defendant-appellees could have moved for summary judgment upon a simple showing of what the structure of their drive-in theatre (or drive-in theatres) in fact was, as may be gleaned by the blueprints of the building-contractor who built such drive-in theatre (or drive-in theatres) or by photographs of such drive-in theatres.

Presumably, such showing upon a motion for summary judgment would have been quite easy for defendant-appellees, and they would not have had to assume the far

greater burden of overcoming the prima facie presumption of novelty, inventiveness, utility and validity attaching to the patent-in-suit by virtue of its issuance.

Likewise, if defendant-appellees' drive-in theatre (or drive-in theatres) was nothing more (structurally) than a flat parking-lot with a screen thereon, where

“a spectator walks into his seat in a theatre, skates into the aisle, or rides in on the automobile . . .”

as appellees' brief (bottom of page 34) tries to denude the specific drive-in theatre structure of the patent-in-suit, or if defendant-appellees' aforesaid drive-in theatre (or theatres) bear any close resemblance to any one of the many specific constructions or structures disclosed in any one of the many “prior-art” patents and publications relied upon by them, they should have shown to the District Court, on their motion, just what the specific structure or construction of their drive-in theatre (or theatres) was, so that the District Court could compare such structure with the “prior-art” or with the flat parking-lot about which appellees are prone to talk, because, of course, if appellees' drive-in theatre (or theatres) is merely a flat parking-lot with a screen or embodies merely the structure of a prior-art patent, as can be gleaned from a comparison therewith, there would be no infringement.

Defendant-appellees preferred to avoid any showing as to just what their drive-in theatre (or drive-in theatres) is really like.

We respectfully submit that by their decision to *avoid* what would be the most easy course *if* their drive-in theatres were merely flat parking-lots or merely the structure of one of the prior-art patents, namely, by their decision *not* to move for summary judgment on the ground of non-infringement *and by their decision to avoid any comparison between the structure of their drive-in theatres and the prior-art and flat parking-lots about which they are prone to talk*, appellees, while *extending a hand like that of Esau*, yet *speak with the voice of Jacob*\*.

---

\* *Genesis*, Chapter 27 ¶ 22 et seq .

## Conclusion

In conclusion, it is therefore respectfully submitted that upon defendants' motion for summary judgment there were manifestly genuine issues of fact, and therefore it was improper to enter summary judgment, and such judgment should be reversed.

Respectfully submitted,

REGINALD E. CAUGHEY

LYON & LYON

LEONARD L. KALISH

attorneys for plaintiff-appellant



## Appendix C

R. Vol. I, p. 124: **Lowell Thomas** (broadcast) on **May 19, 1933**, as follows:

“‘Did you ever hear of a theatre where you could drive right into the auditorium, sit in your car, and watch the show?

‘Neither did I until today.

‘According to the Film Daily of New York, down in Camden, New Jersey, they have what is said to be the first drive-in theatre in the world.’ ”

PX-2, R. Vol. II, p. 258: **Motion Picture Herald** **July 1, 1933**:

“The unique show-park in Camden where patrons witness motion picture entertainment from their automobiles—how it is built and how it works”

“What is doubtless the first theatre designed so that patrons may witness the performance while remaining in the automobiles in which they have come, has been opened in Camden, N. J. It is indeed a theatre unique, a motor age experiment which may prove the idea sensible enough to warrant others like it. Then on a broader scale will be determined whether the public likes such theatres merely temporarily, as a novelty, or as a happy means of ‘going to the movies’ in the summertime. After a few weeks of operation, the promoters of the Drive-In theatre in Camden indicate that so far the innovation seems to be a success.

“Being so distinctive, this theatre invites description quite as different from the usual.

“The enterprise was conceived by Richard M. Hollingshead, Jr., of Camden . . . .”

PX-3, R. Vol. II, p. 262: **Everybody’s Weekly** **May 16, 1948**, **The Philadelphia Inquirer**:

“Growth of Drive-In Movies, by Edgar Williams”

“**First known installation of a drive-in theatre was made in 1933 near the Camden Airport.** By 1940, about 100 ‘ozoners’ were in operation throughout the nation.

“In virtually every state, drive-ins are mushrooming. One builder of open-air film centers predicted recently that by the end of 1949 more than 1,000 will be in service throughout the nation.

“By the end of the year there will be 720 drive-ins in operation from coast to coast. At least 12 additional outdoor theatres will open in the Pittsburgh area this summer, giving that section a total of 29 drive-ins. New York City got its first drive-in a few weeks ago, a \$300,000 establishment on Staten Island. Six have opened in Dayton, Ohio, alone, and six are scheduled to open in St Louis. Building costs for the mushrooming industry are placed at \$60,000,000 for 1948.”

PX-13, R. Vol. II, p. 273: **The New Yorker** Oct 1, 1949

“The Talk of the Town”

“Drive-In movie theatres have been springing up all over the country for the last year or so . . . now New York has a rather spectacular one. It’s the Whitestone Bridge Drive-In Theatre, . . . the manager, Mr. Harvey Elliott, . . . take a bullish view of the future . . . ‘Let me tell you the **drive-in theatre is no fad.** . . . The drive-in is the easiest way there is to see a movie . . . family trade . . . accounts for eighty-six per cent of our business.’ . . . The South, Southwest, and Midwest have the greatest number per capita. The first drive-in theatre was built in 1933, outside Camden, New Jersey, he (Elliott) told us, by a man named Hollingshead, who got a patent on it. . . . There were only a hundred drive-ins in the whole country in 1940; now there are fifteen hundred, and two thousand under construction. . . . The White-

stone . . . cost . . . about four hundred thousand dollars. . . . The cars line up on ramps laid out in a series of semicircles around the screen. The ramps slant upward at an angle. . . . 'On opening night, we turned away eight thousand people,' Elliott said. 'Since then, we've averaged sixty per cent of capacity.' "

PX-11, R. Vol. II, p. 271: **The Independent Film Journal** July 30, 1949:

"Drive-ins are creating new patrons for motion pictures. William F. Rodgers, vice-president and general sales manager for M-G-M, told the industry trade press last week. While no final conclusions can yet be drawn from a survey made by the company on this subject, the M-G-M sales chief stated that there was considerable evidence to indicate that this 'new type of business' was expanding the national audience rather than serving as a competitive threat to established theatres.

. . . . .  
"Concluding his remarks, Rodgers said, 'If they are catering to people who seldom went to theatres . . . we should give them every encouragement as another department of motion picture service.' "

PX-12, R. Vol. II, p. 272: **Exhibitor** August 24, 1949:

"Big story of the 1949 entertainment season has been the growth of drive-ins throughout the country.

"In all parts of the U. S., they have sprung up as a permanent part of exhibition, bring, in the opinion of many, new theatregoers who ordinarily would never go to the regular type of theatre.

. . . . .  
"One of the major suppliers of drive-in equipment is the Radio Corporation of America, and not long ago The Exhibitor had the opportunity to visit Camden, N. J., where the drive-in originated, for a trip through the RCA plant.

“Assembly lines at RCA have been working at capacity since early spring to supply the demands of the **new industry**, it was revealed by J. P. Barkow, RCA Engineering Product Department’s plant manager for Communication and Distributed Products.”

PX-14, R. Vol. II, p. 274: **Boxoffice** October 8, 1949:

“Chicago—The **first-drive-in theatre suit** attacking film distribution practices—one which may establish legal precedents in determining a clearance policy for outdoor theatres—got under way in federal court here this week.

“The defense also told the court that **drive-in theatres** are so new to the industry and their competitive position in relation to indoor theatres so undetermined that distributors have been unable to make any definite policies on what reasonable clearance for the outdoor theatre is.

“The newness of the **drive-in**, Miles Seeley, attorney for RKO, Loew’s and Universal-International, said, ‘has not only posed a question for the distributor as to how they should be treated, but the exhibitors who own and operate them must also develop ideas along this line as they go along.’ ”

PX-4, R. Vol. II, p. 263: **Motion Picture Herald** (July 17, 1948):

“**The Drive-In Theatre**, the screen’s institution of the far-flung crossroads of the nation, . . .

“ . . . **drive-ins** are doing outstanding business and, in many cases, have **recouped their investment** in the first year of operation, . . .

“ . . . the out-door operation . . . a **growing source of revenue** for the distributors . . . ”

PX-5, R. Vol. II, p. 265: **Boxoffice** (July 17, 1948):

“ . . . the **drive-ins** are . . . obtaining good returns on an investment.”

PX-6, R. Vol. II, p. 266: **Boxoffice** November 13, 1948:  
“Drive-Ins up from 100 to 761 in 20-month building boom”

“by Sumner Smith”

“**The first drive-in was opened near Camden, N. J. in 1933.**”

PX-9, R. Vol. II, p. 269: **Time** (June 20, 1949):

“**From their modest start in Camden (N. J.) in 1933 the drive-ins have grown too big to be dampened by rain.**

“ . . . 80% of drive-in fans are not, and never have been, regular moviegoers. The best customers are 1) moderate-income families who bring the children to save on baby-sitting, 2) the aged and physically handicapped and 3) farmers and factory workers ducking the ritual of dressing up to go to a movie in town.”

PX-10, R. Vol. II, p. 270: **Boxoffice** (July 23, 1949):

“Rodgers says drive-ins creating new patrons”

“**Drive-ins have become such an important factor in developing new customers for theatres and in returning old ones who for various reasons have not been attending often that MGM is now making a national survey of the open-air operations, says William F. Rodgers, vice-president and general sales manager.**

“ ‘**Certainly in the drive-in we have a new type of business. Many owning both theatres and drive-ins in close proximity to each other contend that the drive-in is not competition, that a new motion picture clientele is being formed attracting folks who were not regular attendants to theatres. I believe this is true.**’

“ ‘ . . . so many of our customers who for years have operated theatres are also in the drive-in business.’ ”

